
MEASURES SUBMITTED TO
VOTE OF ELECTORS

**Primary Election, June 7, 1988, and
General Election, November 8, 1988**

MEASURES SUBMITTED TO VOTE OF ELECTORS

Primary Election, June 7, 1988

MEASURES ADOPTED

CONSTITUTIONAL AMENDMENT SUBMITTED BY LEGISLATURE

*Number
on ballot*

66. Elected County Assessor. (Statutes 1988, Resolution Chapter 1, SCA 35)

INITIATIVE AMENDMENT SUBMITTED BY LEGISLATURE

67. Second Degree Murder of Peace Officer. Minimum Term. (Statutes 1987, Chapter 1006, SB 402)

INITIATIVE STATUTES

68. Legislative Campaigns. Spending and Contribution Limits. Partial Public Funding.
70. Wildlife, Coastal, and Park Land Conservation Bond Act.
73. Campaign Funding. Contribution Limits. Prohibition of Public Funding.

BOND ACTS SUBMITTED BY LEGISLATURE

75. School Facilities Bond Act of 1988. (Statutes 1988, Chapter 25, AB 48)
76. Veterans Bond Act of 1988. (Statutes 1988, Chapter 26, AB 69)
77. California Earthquake Safety and Housing Rehabilitation Bond Act of 1988. (Statutes 1988, Chapter 27, AB 2032)

MEASURES DEFEATED

INITIATIVE CONSTITUTIONAL AMENDMENTS

*Number
on ballot*

71. Appropriations Limit Adjustment.
72. Emergency Reserve. Dedication of Certain Taxes to Transportation. Appropriation Limit Change.

INITIATIVE STATUTE

69. Acquired Immune Deficiency Syndrome—AIDS.

BOND ACT SUBMITTED BY LEGISLATURE

74. Dodder Transportation Bond Act. (Statutes 1988, Chapter 24, SB 140)

MEASURES SUBMITTED TO VOTE OF ELECTORS

General Election, November 8, 1988

MEASURES ADOPTED

CONSTITUTIONAL AMENDMENTS SUBMITTED BY LEGISLATURE

*Number
on ballot*

- 87. **Property Tax Revenues. Redevelopment Agencies.** (Statutes 1988, Resolution Chapter 54, ACA 56)
- 88. **Deposit of Public Moneys.** (Statutes 1988, Resolution Chapter 59, ACA 63)
- 89. **Governor's Parole Review.** (Statutes 1988, Resolution Chapter 63, SCA 9)
- 90. **Assessed Valuation. Replacement Dwellings.** (Statutes 1988, Resolution Chapter 64, ACA 1)
- 91. **Justice Courts. Eligibility.** (Statutes 1988, Resolution Chapter 65, ACA 12)
- 92. **Commission on Judicial Performance.** (Statutes 1988, Resolution Chapter 67, SCA 6)
- 93. **Veterans' Property Tax Exemption.** (Statutes 1988, Resolution Chapter 68, SCA 16)
- 94. **Judges.** (Statutes 1988, Resolution Chapter 70, ACA 17)

INITIATIVE CONSTITUTIONAL AMENDMENTS AND STATUTES

- 98. **School Funding.**
- 99. **Cigarette and Tobacco Tax. Benefit Fund.**

INITIATIVE STATUTES

- 96. **Communicable Disease Tests.**
- 97. **State Occupational Safety and Health Plan.**
- 103. **Insurance Rates, Regulation, Commissioner.**
- 105. **Disclosures to Consumers, Voters, Investors.**

BOND ACTS SUBMITTED BY LEGISLATURE

- 78. **Higher Education Facilities Bond Act of 1988.** (Statutes 1988, Chapter 44, SB 703)
- 79. **1988 School Facilities Bond Act.** (Statutes 1988, Chapter 42, SB 22)
- 80. **New Prison Construction Bond Act of 1988.** (Statutes 1988, Chapter 43, SB 468, as amended by Statutes 1988, Chapter 386, SB 406)
- 81. **California Safe Drinking Water Bond Law of 1988.** (Statutes 1988, Chapter 45, AB 1439, as amended by Statutes 1988, Chapter 297, AB 1720)
- 82. **Water Conservation Bond Law of 1988.** (Statutes 1988, Chapter 46, AB 1715, as amended by Statutes 1988, Chapter 297, AB 1720)
- 83. **Clean Water and Water Reclamation Bond Law of 1988.** (Statutes 1988, Chapter 47, SB 997)
- 84. **Housing and Homeless Bond Act of 1988.** (Statutes 1988, Chapter 48, SB 1693)
- 85. **Library Construction and Renovation Bond Act of 1988.** (Statutes 1988, Chapter 49, SB 181)
- 86. **County Correctional Facility Capital Expenditure and Youth Facility Bond Act of 1988.** (Statutes 1988, Chapter 264, SB 1664)

MEASURES DEFEATED

INITIATIVE STATUTES

*Number
on ballot*

- 95. Hunger and Homelessness Funding.
- 100. Insurance Rates, Regulation.
- 101. Automobile Accident Claims and Insurance Rates.
- 102. Reporting Exposure to AIDS Virus.
- 104. Automobile and Other Insurance.
- 106. Attorney Fees Limit for Tort Claims.



Office of
March Fong Eu
Secretary of State
SACRAMENTO

I, MARCH FONG EU, Secretary of State of the State of California, hereby certify, based on records on file in my office:

That pursuant to Government Code section 9766, subdivision (d) the following are the results of all elections upon any initiative or referendum measures submitted to the electors of the State within the calendar year 1988.

The following laws were adopted by vote of electors at the June 7, 1988 primary election:

Legislative Campaigns. Spending and Contribution Limits. Partial Public Funding. Initiative Statute

Wildlife, Coastal, and Park Land Conservation Bond Act. Initiative Statute

Campaign Funding. Contribution Limits. Prohibition of Public Funding. Initiative Statute

The following proposed laws were defeated by vote of electors at the June 7, 1988 primary election:

Acquired Immune Deficiency Syndrome - AIDS. Initiative Statute

Appropriations Limit Adjustment. Initiative Constitutional Amendment

Emergency Reserve. Dedication of Certain Taxes to Transportation. Appropriation Limit Change. Initiative Constitutional Amendment

The following laws were adopted by vote of electors at the November 8, 1988 general election:

Communicable Disease Tests. Initiative Statute

State Occupational Safety and Health Plan. Initiative Statute

School Funding. Initiative Constitutional Amendment and Statute

Cigarette and Tobacco Tax. Benefit Fund. Initiative Constitutional Amendment and Statute

Insurance Rates, Regulation, Commissioner. Initiative Statute

Disclosures to Consumers, Voters, Investors. Initiative Statute

The following proposed laws were defeated by vote of electors at the November 8, 1988 general election:

Hunger and Homelessness Funding. Initiative Statute

Insurance Rates, Regulation. Initiative Statute

Automobile Accident Claims and Insurance Rates. Initiative Statute

Reporting Exposure to AIDS Virus. Initiative Statute

Automobile and Other Insurance. Initiative Statute

Attorney Fees Limit for Tort Claims. Initiative Statute



IN WITNESS WHEREOF, I hereunto set my hand and affix the Great Seal of the State of California this 22nd day of December, 1988.

Manh Jong Eu

Secretary of State

PROPOSITIONS SUBMITTED TO
VOTE OF ELECTORS

Primary Election, June 7, 1988

MEASURES ADOPTED

CONSTITUTIONAL AMENDMENT SUBMITTED BY LEGISLATURE

Number
on ballot

66. Elected County Assessor. (Statutes 1988, Resolution Chapter 1, SCA 35)

[Approved by electors June 7, 1988.]

PROPOSED AMENDMENT TO ARTICLE XI,
SECTIONS 1 AND 4

First—That Section 1 of Article XI thereof is amended to read:

SEC. 1. (a) The State is divided into counties which are legal subdivisions of the State. The Legislature shall prescribe uniform procedure for county formation, consolidation, and boundary change. Formation or consolidation requires approval by a majority of electors voting on the question in each affected county. A boundary change requires approval by the governing body of each affected county. No county seat shall be removed unless two-thirds of the qualified electors of the county, voting on the proposition at a general election, shall vote in favor of such removal. A proposition of removal shall not be submitted in the same county more than once in four years.

(b) The Legislature shall provide for county powers, an elected county sheriff, an elected district attorney, *an elected assessor*, and an elected governing body in each county. Except as provided in subdivision (b) of Section 4 of this article, each governing body shall prescribe by ordinance the compensation of its members, but the ordinance prescribing such compensation shall be subject to referendum. The Legislature or the governing body may provide for other officers whose compensation shall be prescribed by the governing body. The governing body shall provide for the number, compensation, tenure, and appointment of employees.

Second—That Section 4 of Article XI thereof is amended to read.

SEC. 4. County charters shall provide for:

(a) A governing body of 5 or more members, elected (1) by district or, (2) at large, or (3) at large, with a requirement that they reside in a district. Charter counties are subject to statutes that relate to apportioning population of governing body districts.

(b) The compensation, terms, and removal of members of the governing body. If a county charter provides for the Legislature to prescribe the salary of the governing body, such compensation shall be prescribed by the governing body by ordinance.

(c) An elected sheriff, an elected district attorney, *an elected assessor*, other officers, their election or appointment, compensation, terms and removal.

(d) The performance of functions required by statute.

(e) The powers and duties of governing bodies and all other county officers, and for consolidation and segregation of county officers, and for the manner of filling all vacancies occurring therein.

(f) The fixing and regulation by governing bodies, by ordinance, of the appointment and number of assistants, deputies, clerks, attachés, and other persons to be employed, and for the prescribing and regulating by such bodies of the powers, duties, qualifications, and compensation of such persons, the times at which, and terms for which they shall be appointed, and the manner of their appointment and removal.

(g) Whenever any county has framed and adopted a charter, and the same shall have been approved by the Legislature as herein provided, the general laws adopted by the Legislature in pursuance of Section 1 (b) of this article, shall, as to such county, be superseded by said charter as to matters for which, under this section it is competent to make provision in such charter, and for which provision is made therein, except as herein otherwise expressly provided.

(h) Charter counties shall have all the powers that are provided by this Constitution or by statute for counties.

INITIATIVE AMENDMENT SUBMITTED BY LEGISLATURE

*Number
on ballot*

67. **Second Degree Murder of Peace Officer. Minimum Term.** (Statutes 1987, Chapter 1006, SB 402)

[Approved by electors June 7, 1988.]

PROPOSED LAW

SECTION 1. Section 190 of the Penal Code is amended to read:

190. (a) Every person guilty of murder in the first degree shall suffer death, confinement in state prison for life without possibility of parole, or confinement in the state prison for a term of 25 years to life. The penalty to be applied shall be determined as provided in Sections 190.1, 190.2, 190.3, 190.4, and 190.5.

~~Every~~ Except as provided in subdivision (b), every person guilty of murder in the second degree shall suffer confinement in the state prison for a term of 15 years to life.

The provisions of Article 2.5 (commencing with Section 2930) of Chapter 7 of Title 1 of Part 3 of the Penal Code shall apply to reduce any minimum term of 25 or 15 years in a state prison imposed pursuant to this section, but such person shall not otherwise be released on parole prior to such time.

(b) *Every person guilty of murder in the second degree shall suffer confinement in the state prison for a term of 25 years to life if the victim was a peace officer, as defined in subdivision (a) of Section 830.1, subdivision (a) or (b) of Section 830.2, or Section 830.5, who was killed while engaged in the performance of his or her duties, and the defendant knew or reasonably should have known that the victim was such a peace officer engaged in the performance of his or her duties*

The provisions of Article 2.5 (commencing with Section 2930) of Chapter 7 of Title 1 of Part 3 of the Penal Code shall not apply to reduce any minimum term of 25 years in state prison when the person is guilty of murder in the second degree and the victim was a peace officer, as defined in this subdivision, and such person shall not be released prior to serving 25 years confinement

INITIATIVE STATUTES

Number
on ballot

68. Legislative Campaigns, Spending and Contribution Limits, Partial Public Funding.

[Submitted by the initiative and approved by electors June 7, 1988.]

PROPOSED LAW

SECTION 1. Chapter 5 is added to Title 9 of the Government Code as follows:

CHAPTER 5. THE CAMPAIGN SPENDING LIMITS ACT OF 1986

Article 1. Findings and Purposes

85100. Title

This chapter shall be known as the Campaign Spending Limits Act of 1986.

85101 Findings and Declarations

The people find and declare each of the following:

(a) Monetary contributions to political campaigns are a legitimate form of participation in the American political process, but the financial strength of certain individuals or organizations should not permit them to exercise a disproportionate or controlling influence on the election of legislative candidates.

(b) Campaign spending for California legislative campaigns is escalating to dangerous levels. The average legislative race cost nearly four hundred fifty thousand dollars (\$450,000) in 1984. Million dollar electoral contests for seats which pay thirty-three thousand seven hundred thirty-two dollars (\$33,732) a year are increasingly common

(c) The rapidly increasing costs of political campaigns have forced many legislative candidates to raise larger and larger percentages of money from statewide interest groups with a specific financial stake in matters before the Legislature. This has caused the public perception that legislators' votes are being improperly influenced by monetary contributions. This perception is undermining the credibility and integrity of the Legislature and the governmental process

(d) The average legislative candidate now raises over 90% of his or her campaign contributions from sources outside his or her own district. This has caused the growing public perception that legislators are less interested in the problems of their own constituents than the problems of wealthier statewide contributors.

(e) Legislative candidates are raising less money in small contributions and more money in large individual and organizational contributions. This has created the public impression that the small contributor has an insignificant role to play in political campaigns.

(f) High campaign costs are forcing legislators to spend more time on fundraising and less time on the public's business. The constant pressure to raise contributions is distracting legislators from urgent legislative matters.

(g) Legislators are responding to high campaign costs by raising large amounts of money in off-election years. This fundraising distracts legislators from important public matters, encourages contributions which may have a corrupting influence and gives incumbents an unfair fundraising advantage over potential challengers

(h) Incumbents are raising far more money than challengers. In the 1984 general election, Assembly incumbents outspent their challengers by a 14-to-1 ratio and won 100% of their contests. In 1983, a non-election year, incumbent

legislators raised \$14.3 million while their challengers raised less than fifty thousand dollars (\$50,000). In 1984, out of 100 legislative races in the primary and general elections, only two incumbents were defeated. The fundraising advantages of incumbency are diminishing electoral competition between incumbents and challengers.

(i) The integrity of the legislative process, the competitiveness of campaigns and public confidence in legislative officials are all diminishing

85102 Purpose of this Chapter

The people enact this Act to accomplish the following purposes:

(a) To ensure that individuals and interest groups in our society have a fair and equal opportunity to participate in the elective and legislative processes

(b) To reduce the influence of large contributors with a specific financial stake in matters before the Legislature, thus countering the perception that legislation is influenced more by the size of contributions than the merits of legislation or the best interests of the people of California.

(c) To assist serious candidates in raising enough money to communicate their views and positions adequately to the public without excessive expenditures or large contributions, thereby promoting public discussion of the important issues involved in political campaigns.

(d) To limit overall expenditures in legislative campaigns, thereby reducing the pressure on legislative candidates to raise large campaign war chests beyond the amount necessary to communicate reasonably with voters.

(e) To provide a neutral source of campaign financing by allowing individual taxpayers voluntarily to dedicate a portion of their state taxes to defray a portion of the costs of legislative campaigns

(f) To increase the importance of in-district contributions

(g) To increase the importance of smaller contributions.

(h) To eliminate off year fundraising.

(i) To reduce excessive fundraising advantages of incumbents and thus encourage competition for elective office

(j) To allow candidates and legislators to spend a lesser proportion of their time on fundraising and a greater proportion of their time discussing important legislative issues.

(k) To improve the disclosure of contribution sources in reasonable and effective ways.

(l) To ensure that serious candidates are able to raise enough money to communicate their views and positions adequately to the public, thereby promoting public discussion of the important issues involved in political campaigns.

(m) To help restore public trust in the state's legislative and electoral institutions.

Article 2. Definitions

85200. Interpretation of this Chapter

Unless the term is specifically defined in this chapter or the contrary is stated or clearly appears from the context, the definitions set forth in Chapter 2 (commencing with Section 82000) shall govern the interpretation of this chapter.

85201. Legislative Caucus Committee

"Legislative caucus committee" means a committee controlled by the caucus of each political party of each house of the Legislature. Each party of each house may establish only one such committee which shall not be considered to be a

candidate-controlled committee. A "legislative caucus committee" may make contributions to any candidate running for legislative office

85202. Small Contributor Political Action Committee

"Small contributor political action committee" means any committee which meets all of the following criteria:

(a) All the contributions it receives from any person in a twelve month period total \$50 or less

(b) It has been in existence at least six months.

(c) It contributes to at least five candidates

(d) It is not a candidate-controlled committee.

85203 Qualified Campaign Expenditure

(a) "Qualified campaign expenditure" for legislative candidates includes all of the following:

(1) Any expenditure made by a candidate for legislative office, or by a committee controlled by such a candidate, for the purpose of influencing or attempting to influence the actions of the voters for or against the election of any candidate for legislative office.

(2) Any transfer of anything of value made by the legislative candidate's controlled committee to any other committee.

(3) A non-monetary contribution provided at the request of or with the approval of the legislative candidate, legislative officeholder or committee controlled by the legislative candidate or legislative officeholder.

(4) That portion of a slate mailing or other campaign literature produced or authorized by more than one legislative candidate which is the greater of the cost actually paid by the committee or controlled committee of the legislative candidate or the proportionate share of the cost for each such candidate. The number of legislative candidates sharing costs and the emphasis on or space devoted to each such candidate shall be considered in determining the cost attributable to each such candidate.

(b) "Qualified campaign expenditure" does not include any payment if it is clear from the surrounding circumstances that it was not made for political purposes.

85204 Two-Year Period

"Two-year period" means the period commencing with January 1 of an odd-numbered year and ending with December 31 of an even-numbered year.

85205. Campaign Reform Fund

"Campaign Reform Fund" means the fund created by Section 18775 of the Revenue and Taxation code.

85206 Organization

"Organization" means a proprietorship, labor union, firm, partnership, joint venture, syndicate, business trust, company, corporation, association or committee which has 25 or more employees, shareholders, contributors, or members.

Article 3. Contribution Limitations

85300. Limitations on Contributions from Persons

(a) No person shall make to any candidate for legislative office and the controlled committee of such a candidate and no such candidate and the candidate's controlled committee shall accept from each such person a contribution or contributions totaling more than one thousand dollars (\$1,000) for each of the following elections in which the candidate is on the ballot or is a write-in candidate. a primary election, a general election, a special election or special runoff election.

(b) No organization shall make to any candidate for legislative office and the controlled committee of such a candidate and no such candidate and the candidate's controlled committee shall accept from each such organization a contribution or contributions totaling more than two thousand five hundred dollars (\$2,500) for each of the following elections in which the candidate is on the ballot or is a write-in candidate: a primary election, a general election, a special election or special runoff election.

(c) No person shall make to any committee which supports or opposes any legislative candidate and no such committee shall accept from each such person a contribution or contributions totaling more than one thousand dollars (\$1,000) per year.

(d) No organization shall make to any committee which supports or opposes any legislative candidate and no such committee shall accept from each such organization a contribution or contributions totaling more than two thousand five hundred dollars (\$2,500) per year.

85301. Limitations on Contributions from Small Contributor Political Action Committees

(a) No small contributor political action committee shall make to any candidate for legislative office and the controlled committee of such a candidate, and no such candidate and the candidate's controlled committee shall accept from a small contributor political action committee a contribution or contributions totaling more than five thousand dollars (\$5,000) for each of the following elections in which the candidate is on the ballot or is a write-in candidate. a primary election, a general election, a special election or special runoff election.

(b) No small contributor political action committee shall make to any committee supporting or opposing a legislative candidate and no such committee shall accept from a small contributor political action committee a contribution or contributions totaling more than five thousand dollars (\$5,000) in a two-year period.

85302. Limitations on Contributions to Political Parties and Legislative Caucus Committees

No person, including an organization or a small contributor political action committee, shall make to any political party committee supporting or opposing legislative candidates or legislative caucus, and no such party committee or legislative caucus committee shall accept from each such person a contribution or contributions totaling more than five thousand dollars (\$5,000) in a two-year period.

85303. Limitations on Contributions from Political Parties and Legislative Caucuses

No more than a total of fifty thousand dollars (\$50,000) in the case of an Assembly candidate, and a total of seventy-five thousand dollars (\$75,000) in the case of a Senate candidate, for a general election or special runoff election, shall be accepted in contributions from legislative caucus committees and political party committees by any candidate and the controlled committee of such a candidate. No legislative caucus committee or political party shall make a contribution to a legislative candidate running in a primary election or special election.

85304. Seed Money

The limitations in Sections 85300 and 85301 shall not apply to contributions to a candidate for legislative office until the candidate has raised thirty-five thousand dollars (\$35,000) in the election year.

85305. Limitations on Contributions from Non-Individuals

No more than a total of fifty thousand dollars (\$50,000) in the case of an Assembly candidate, and a total of seventy-five thousand dollars (\$75,000) in the case of a Senate candidate, for either a primary, general, special or special runoff election, shall be accepted in contributions from non-individuals by any candidate and the controlled committee of such a candidate. Contributions from political parties and legislative caucuses shall be exempt from this provision.

85306. Limitations on Total Contributions from Persons

No person shall make to legislative candidates or to committees supporting legislative candidates contributions aggregating more than twenty-five thousand dollars (\$25,000) in a two-year period. Contributions to and contributions from political parties and legislative caucuses shall be exempt from this provision.

85307. Limitations on Total Contributions from Organizations or Small Contributor Political Action Committees

No organization or small contributor political action committee shall make to legislative candidates or to committees supporting legislative candidates contributions aggregating more than two hundred thousand dollars (\$200,000) in a two-year period. Contributions from political parties and legislative caucuses shall be exempt from this section.

85308. Prohibition on Transfers

(a) No candidate and no committee controlled by a candidate or candidates for legislative office or controlled by a legislator or legislators, other than a legislative caucus committee or political party, shall make any contribution to a candidate running for legislative office or to any committee supporting such a candidate including a legislative caucus committee or party committee.

(b) This section shall not prohibit a candidate from making a contribution from his or her own personal funds to his or her candidacy or to the candidacy of any other candidate for legislative office.

85309. Prohibition on Off Year Contributions

(a) No legislative candidate or legislator or any controlled committee of such a candidate or legislator shall accept any contribution in any year other than the year in which the legislative candidate or legislator is listed on the ballot as a candidate for legislative office.

(b) No legislative caucus committee or political party committee supporting or opposing legislative candidates shall accept any contribution in an odd-numbered year.

85310. Limitations on Payments of Gifts and Honoraria

No legislator or legislative candidate and any fund controlled by such a person shall receive more than two thousand dollars (\$2,000) in honoraria and gifts in a two-year period from any person other than a member of the candidate's family as specified in Section 82030 (b) (9).

85311. Return of Contributions

A contribution shall not be considered to be received if it is not negotiated, deposited, or utilized, and in addition it is returned to the donor within fourteen (14) days of receipt.

85312. Aggregation of Payments

For purposes of the contribution limitations in Sections 85300–85307, inclusive, and Section 85310, the following shall apply:

(a) All payments made by a person, organization or small contributor political action committee whose contributions or expenditure activity is financed, maintained or controlled by any business entity, labor organization, association, political party or any other person or committee, including any parent, subsidiary, branch, division, department or local unit of the business entity, labor

organization, association, political party or any other person, or by any group of such persons shall be considered to be made by a single person, committee or small contributor political action committee.

(b) Two or more entities shall be treated as one person when any of the following circumstances apply.

(1) The entities share the majority of members of their boards of directors.

(2) The entities share two or more officers.

(3) The entities are owned or controlled by the same majority shareholder or shareholders.

(4) The entities are in a parent-subsidiary relationship.

(c) An individual and any general partnership in which the individual is a partner, or an individual and any corporation in which the individual owns a controlling interest, shall be treated as one person.

(d) No committee which supports or opposes a candidate for legislative office shall have as officers individuals who serve as officers on any other committee which supports or opposes the same candidate. No such committee shall act in concert with, or solicit or make contributions on behalf of, any other committee. This subdivision shall not apply to treasurers of committees if these treasurers do not participate in or control in any way a decision on which legislative candidate or candidates receive contributions

85313. Loans

(a) A loan shall be considered a contribution from the maker and the guarantor of the loan and shall be subject to the contribution limitations of this chapter.

(b) Every loan to a candidate or the candidate's controlled committee shall be by written agreement and shall be filed with the candidate's or committee's campaign statement on which the loan is first reported.

(c) The proceeds of a loan made to a candidate by a commercial lending institution in the regular course of business on the same terms available to members of the public and which is secured or guaranteed shall not be subject to the contribution limits of this chapter

(d) Extensions of credit (other than loans pursuant to subdivision (c)) for a period of more than thirty (30) days are subject to the contribution limitations of this chapter.

85314. Family Contributions

(a) Contributions by a husband and wife shall be treated as separate contributions and shall not be aggregated.

(b) Contributions by children under 18 shall be treated as contributions by their parents and attributed proportionately to each parent (one-half to each parent or the total amount to a single custodial parent)

85315 Candidate for Statewide or Local Office

The contribution limitations shall not apply to any contributions to a candidate for legislative office where such contributions are made to support the candidate's campaign for a specifically named statewide or local elective office, and all of the following conditions are met:

(a) The candidate specifically names the non-legislative office being sought.

(b) A separate committee and account for the non-legislative office being sought shall be established for the receipt of all contributions and the making of all expenditures in connection with the non-legislative office.

(c) The contributions to be exempted from the contribution limitations in this chapter are made directly to this separate committee's account.

(d) No expenditures from such an account shall be made to support the legislative candidate's campaign, or any other candidate's campaign for legislative office.

85316. One Campaign Committee and One Checking Account per Candidate

A legislative candidate shall have no more than one campaign committee and one checking account out of which all expenditures shall be made. This section shall not prohibit the establishment of savings accounts, but no qualified campaign expenditures shall be made out of these accounts.

85317 Time Periods for Primary Contributions and General Election Contributions

For purposes of the contribution limitations, contributions made at any time before July 1 of the election year shall be considered primary contributions, and contributions made from July 1 until December 31 of the election year shall be considered general election contributions. Contributions made at any time after the seat has become vacant and up through the date of the election shall be considered contributions in a special election, and contributions made after the special election and up through fifty-eight (58) days after the special runoff election shall be considered contributions in a special runoff election

Article 4 Expenditure Limitations

85400. Expenditure Limitations for Assembly Candidates

No candidate for State Assembly who files a statement of acceptance of financing from the Campaign Reform Fund and any controlled committee of such a candidate shall make qualified campaign expenditures above the following amounts:

(a) One hundred fifty thousand dollars (\$150,000) in a primary election.

(b) Two hundred twenty-five thousand dollars (\$225,000) in a general, special, or special runoff election.

85401. Expenditure Limitations for State Senate Candidates

No candidate for State Senate who files a statement of acceptance of financing from the Campaign Reform Fund and any controlled committee of such a candidate shall make qualified campaign expenditures above the following amounts.

(a) Two hundred fifty thousand dollars (\$250,000) in a primary election.

(b) Three hundred fifty thousand (\$350,000) in a general, special or special runoff election.

85402. Expenditure Limitations Lifted—Primary Elections

In the primary election, if a candidate who declines to accept payments from the Campaign Reform Fund receives contributions or makes qualified campaign expenditures in excess of the expenditure limits, or if an independent committee or committees spend more than fifty thousand dollars (\$50,000) in support of, or in opposition to any legislative candidate, the expenditure limitation shall no longer be applicable to all candidates who seek the party nomination for the same seat. In addition, each candidate, other than the candidate who exceeded the expenditure limits, shall be permitted to receive an additional thirty-five thousand dollars (\$35,000) free of contribution limitations, in accordance with Section 85304.

85403. Expenditure Limitations Lifted—Non-Primary Elections

In the general, special or special runoff election, if a candidate who declines to accept payments from the Campaign Reform Fund receives contributions or makes qualified campaign expenditures in excess of the expenditure limits, or if an independent expenditure committee or committees spend more than fifty

thousand dollars (\$50,000) in support of or in opposition to any legislative candidate, the expenditure limitations shall no longer be applicable to all candidates running for the same seat in the general, special or special runoff election. In addition, each candidate, other than the candidate who exceeded the expenditure limits, shall be permitted to receive an additional thirty-five thousand dollars (\$35,000) free of contribution limitations, in accordance with Section 85304.

85404. Notification by Candidate Who Exceeds Expenditure Limitations

A candidate who has declined to accept payments from the Campaign Reform Fund and receives contributions or spends an amount over the expenditure limitations shall notify all opponents and the Commission by telephone and by confirming telegram the day the limitations are exceeded.

85405. Time Periods for Primary Election Expenditures and General Election Expenditures

For purposes of the expenditure limitations, qualified campaign expenditures made at any time before June 30 of the election year shall be considered primary election expenditures, and qualified campaign expenditures made from July 1 until December 31 of the election year shall be considered general election expenditures. Qualified campaign expenditures made at any time after the seat has become vacant and up through the date of the election shall be considered expenditures in a special election, and qualified campaign expenditures made after the special election and up through 58 days after the special runoff election shall be considered expenditures in a special runoff election. However, in the event that payments are made but the goods or services are not used during the period purchased, the payments shall be considered qualified campaign expenditures for the time period when they are used. Payments for goods or services used in both time periods shall be prorated.

Article 5. Campaign Reform Fund

85500. Candidate Acceptance or Rejection of Funds

Each candidate for legislative office, at the time of filing his or her Declaration of Candidacy, shall file a statement of acceptance or rejection of financing from the Campaign Reform Fund. If a candidate agrees to accept financing from the Campaign Reform Fund, the candidate shall comply with the provisions of Article 4 of this Act. A candidate who agrees to accept financing from the Campaign Reform Fund may not change that decision. A candidate who does not agree to accept such financing shall notify all opponents and the Commission by telegram on the day such a candidate raises, spends or has cash on hand of more than thirty-five thousand dollars (\$35,000).

85501. Qualification Requirements

In order to qualify to receive payments from the Campaign Reform Fund, a candidate shall meet all the following requirements:

(a) The candidate has received contributions (other than contributions from the candidate or his or her immediate family) of at least twenty thousand dollars (\$20,000) in contributions of one thousand dollars (\$1,000) or less if running for the Assembly, or at least thirty thousand dollars (\$30,000) in contributions of one thousand dollars (\$1,000) or less if running for the Senate. Only contributions received on or after January 1 of the election year or, if a special election, after the Declaration of Candidacy is filed, may be counted for the above threshold. For purposes of this subsection, a loan, a pledge or a non-monetary contribution shall not be considered a contribution.

(b) In the primary election, the candidate is opposed by a candidate running for the same nomination who has qualified for payments from the Campaign Reform Fund or has raised, spent or has cash on hand of at least thirty-five thousand dollars (\$35,000).

(c) In the general election, the candidate is opposed by a candidate who has qualified for payments from the Campaign Reform Fund or has raised, spent or has cash on hand of at least thirty-five thousand dollars (\$35,000).

(d) The candidate contributes no more than fifty thousand dollars (\$50,000) per election from his or her personal funds to the legislative campaign.

85502. Campaign Reform Fund Formula

A candidate who is eligible to receive payments from the Campaign Reform Fund shall receive payments on the basis of the following formulas:

(a) For a contribution or contributions (other than a contribution from the candidate or his or her immediate family) totaling two hundred fifty dollars (\$250) or under from a single source received on or after January 1 of the election year or, if a special election, after the Declaration of Candidacy is filed, a matching ratio of three dollars (\$3) from the Campaign Reform Fund for each dollar received.

(b) For a contribution or contributions (other than a contribution from the candidate or his or her immediate family) totaling two hundred fifty (\$250) or under from an individual who is a registered voter in the candidate's district and whose contribution is made on or after January 1 of the election year or, if a special election, after the candidate's Declaration of Candidacy is filed, a matching ratio of five dollars (\$5) from the Campaign Reform Fund for each dollar received.

(c) For purposes of this section, a loan, a pledge or a non-monetary payment shall not be considered a contribution.

85503. Candidate Request for Payment

The Commission shall determine the information needed to be submitted to qualify for payment from the Campaign Reform Fund. A candidate may not request less than ten thousand dollars (\$10,000) in payments at any one time from the Campaign Reform Fund; provided, however, that in the 14 days preceding an election, a candidate may not request less than two thousand five hundred (\$2,500) in such payments

85504. Maximum Funds Available to Candidate

No candidate shall receive payments from the Campaign Reform Fund in excess of the following amounts:

(a) For an Assembly candidate, seventy-five thousand dollars (\$75,000) in the primary election and one hundred twelve thousand five hundred dollars (\$112,500) in the general, special or special runoff election.

(b) For a Senate candidate, one hundred twenty-five thousand dollars (\$125,000) in the primary election and one hundred seventy-five thousand (\$175,000) in the general, special or special runoff election.

85505. Timing of Payments to Candidates

The Controller shall make payments from the Campaign Reform Fund in the amount certified by the Commission. Payments shall be made no later than 3 business days after receipt of the request by the candidate. If the Commission determines the money in the Campaign Reform Fund is not, or may not be, sufficient to satisfy the full entitlements of the eligible candidates, the Commission shall notify the Controller to withhold sufficient amounts as may be necessary to assure that the eligible candidates will receive a pro rata share of their entitlements. The amount withheld shall be paid when the Commission

determines that there is sufficient money in the Fund to pay the amounts or portions of the amounts. No payments shall be made from any source other than the Campaign Reform Fund.

85506. Surplus Funds

(a) Surplus funds remaining after all obligations are met by the candidate shall be returned to the Campaign Reform Fund after the general election based on a ratio of the public funds received by a candidate compared to the private funds raised by the candidate for each election.

(b) A legislative candidate who has more than one hundred thousand dollars (\$100,000) in surplus funds after he or she complies with subdivision (a) shall either return all funds over one hundred thousand dollars (\$100,000) to his or her contributors on a pro rata basis or shall donate the surplus over one hundred thousand dollars (\$100,000) to the Campaign Reform Fund

Article 6. Independent Expenditures

85600. Independent Expenditures for Mass Mailings

(a) Any person who makes independent expenditures for a mass mailing which supports or opposes any candidate for legislative office shall put the following statement on the mailing:

<p style="text-align: center;">NOTICE TO VOTERS (Required by State Law)</p> <p style="text-align: center;">This mailing is not authorized or approved by any legislative candidate or election official.</p> <p style="text-align: center;">It is paid for by _____ (name)</p> <p style="text-align: center;">_____ Address, City, State</p>

(b) The statement required by this section shall appear on the envelope and on each page or fold of the mass mailing in at least 10-point type, not subject to the half-tone or screening process, and in a printed or drawn box set apart from any other printed matter.

85601. Contribution Limitations

Any person who makes independent expenditures supporting or opposing a legislative candidate shall not accept any contribution in excess of the amounts set forth in Section 85300(c) and (d).

85602. Limitations on Persons Who Make Independent Expenditures and Contributions to Candidates

Any person who makes a contribution of one hundred dollars (\$100) or more to a candidate for legislative office shall be considered to be acting in concert with that candidate and shall not make independent expenditures and contributions in excess of the amounts set forth in Sections 85300 and 85301 in support of that candidate or in opposition to that candidate's opponent

85603. Reproduction of Materials

Any person who reproduces, broadcasts or distributes any material which is drafted, printed, prepared or previously broadcast by a legislative candidate or a

committee controlled by such a candidate shall report such an expenditure as a non-monetary contribution to such candidate or committee.

85604 Notice of Independent Expenditures

Any person who makes independent expenditures of more than ten thousand dollars (\$10,000) in support of or in opposition to any legislative candidate shall notify the Commission and all candidates in that legislative district by telegram each time this threshold is met

Article 7. Agency Responsibilities

85700. Duties of the Fair Political Practices Commission

The Fair Political Practices Commission, in addition to its responsibilities set forth in Sections 83100 et seq., shall also:

(a) Adjust the expenditure limitations, contribution limitations and public financing provisions in January of every even-numbered year to reflect any increase or decrease in the Consumer Price Index. Such adjustments shall be rounded off to the nearest hundred for the limitations on contributions and the nearest thousand for the limitations on expenditures and the public financing provisions.

(b) Prescribe the necessary forms for filing the appropriate statements.

(c) Verify the requests for payment for Campaign Reform Funds.

(d) Prepare and release studies on the impact of this title. These studies shall include legislative recommendations which further the purposes of this title.

85701. Duties of the Franchise Tax Board

The Franchise Tax Board shall audit each candidate who has received payments from the Campaign Reform Fund in accordance with the procedures set forth in Sections 90000 et seq.

SECTION 2. Chapter 18.6 (commencing with Section 18775) is added to Part 10 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 18.6. CAMPAIGN REFORM FUND DESIGNATION

18775. Tax Checkoff

Every individual whose income tax liability for any taxable year is three dollars (\$3) or more may designate an amount up to three dollars (\$3) of that tax liability to be deposited into the Campaign Reform Fund. In the case of a joint return of husband and wife having an income tax liability of six dollars (\$6) or more, each spouse may designate that an amount up to three dollars (\$3) of that tax liability shall be paid to the Fund. Taxpayer designations of funds shall not increase that taxpayer's tax liability. Money in this Fund shall be available for distribution in accordance with the provisions of Chapter 5 of Title 9, commencing with Section 85100 of the Government Code. The Franchise Tax Board shall place on the top third of the first page of all personal tax returns required to be filed on or after January 1, 1987, the following language:

CAMPAIGN	<i>Do you want \$3 of the taxes you are</i>
REFORM	<i>already paying to go to this Fund?</i>
FUND	<i>[] YES [] NO</i>
	<i>If joint return, does your spouse</i>
	<i>want \$3 to go to this fund?</i>
	<i>[] YES [] NO</i>

NOTE: *Checking "YES" will not increase the taxes you pay or reduce your refund.*

18776. Return of Surplus Money in Campaign Reform Fund

All money over \$1 million, adjusted for cost of living changes, remaining in the Campaign Reform Fund as of January 31 in the year following a general election shall be refunded to the General Fund

SECTION 3. Section 17245 of the Revenue and Taxation Code (which currently reads as follows) is repealed:

~~17245. In computing taxable income there shall be allowed as a deduction political contributions by any person in excess of one hundred dollars (\$100) (two hundred dollars (\$200) on a joint return) in any year, except that no deduction shall be allowed for contributions which are designated pursuant to Section 18720.~~

SECTION 4. Section 83122.5 is added to the Government Code to read:

83122.5. Appropriation to Fair Political Practices Commission

There is hereby appropriated from the Campaign Reform Fund to the Fair Political Practices Commission a sum of five hundred thousand dollars (\$500,000), adjusted for cost of living changes, during each fiscal year, for expenditures to support the operations of the Commission to carry out its responsibilities pursuant to the Campaign Spending Limits Act of 1986. The expenditure of funds under this appropriation shall be subject to the normal administrative review given to other state appropriations. The Legislature shall appropriate additional amounts to the Commission and other agencies as may be necessary to carry out the provisions of this title.

SECTION 5. Section 91000 of the Government Code is amended to read:

91000. Violations; Criminal

(a) Any violation of Chapter 5 of this title commencing with Section 85100 is a public offense punishable by imprisonment in a state prison or in a county jail for a period not exceeding one year.

~~(a) Any person who knowingly or willfully violates any provision of this title is guilty of a misdemeanor.~~

(b) Any violation of any other section of this title is a misdemeanor.

~~(b)~~

(c) In addition to other penalties provided by law, a fine of up to the greater of ten thousand dollars (\$10,000) or three times the amount the person failed to report properly or unlawfully contributed, expended, gave or received may be imposed upon conviction for of each violation.

~~(c)~~

(d) Prosecution for violation of this title must be commenced within four years after the date on which the violation occurred occurred.

SECTION 6. Section 91005 of the Government Code is amended to read:

91005. Civil Liability for Violations

(a) Any person who makes or receives a contribution, payment, gift or expenditure in violation of Section 84300, 84304, 85300, 85301, 85302, 85303, 85305, 85306, 85307, 85308, 85309, 85310, 85400, 85401, 85405, 85500, 85501, 85502, 85504, 85506, 85600, 85601, 85602, 85603, 85604, 86202, 86203 or 86204 is liable in a civil action brought by the civil prosecutor or by a person residing within the jurisdiction for an amount up to five hundred dollars (\$500) one thousand dollars (\$1,000) or three times the amount of the unlawful contribution, gift or expenditure, whichever is greater.

(b) Any designated employee or public official specified in Section 87200, other than an elected state officer, who realizes an economic benefit as a result of a violation of Section 87100 or of a disqualification provision of a Conflict of

Interest Code is liable in a civil action brought by the civil prosecutor or by a person residing within the jurisdiction for an amount up to three times the value of the benefit.

SECTION 7. Section 83116 of the Government Code is amended to read:

83116. Violation of Title

When the Commission determines there is probable cause for believing this title has been violated, it may hold a hearing to determine if such a violation has occurred. Notice shall be given and the hearing conducted in accordance with the Administrative Procedure Act (Government Code, Title 2, Division 3, Part 4 I, Chapter 5, Sections 11500 et seq.) - The Commission shall have all the powers granted by that chapter.

When the Commission determines on the basis of the hearing that a violation has occurred, it shall issue an order which may require the violator to:

- (a) Cease and desist violation of this title;
- (b) File any reports, statements or other documents or information required by this title; *and*
- (c) Pay a monetary penalty of up to two thousand dollars (\$2,000) *for each violation* to the General Fund of the state.

When the Commission determines that no violation has occurred, it shall publish a declaration so stating.

SECTION 8. Section 84106 is added to the Government Code to read:

84106. Identification of Committees

The name of any committee shall include or be accompanied by the name of any individual, entity or other person by which the committee is controlled. Any committee required to file a statement of organization shall amend its statement to comply with this section within 30 days of the effective date of this Act.

SECTION 9. Section 84302.5 is added to the Government Code to read:

84302.5. Definition of Intermediary

A person is an intermediary for transmittal of a contribution if he or she delivers to a candidate or committee a contribution from another person unless such contribution is from the person's employer, immediate family or an association to which the person belongs. No person who is the treasurer of the committee to which the contribution is made or is the candidate who controls the committee to which the contribution is made shall be an intermediary for such a contribution.

SECTION 10. Severability Clause

If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of this Act, to the extent it can be given effect, or the application of those provisions to persons or circumstances other than those as to which it was held invalid, shall not be affected thereby, and to this end, the provisions of this Act are severable.

SECTION 11. Legislative Amendments

The provisions of Section 81012 of the Government Code which allow legislative amendments to the Political Reform Act of 1974 shall apply to the provisions of this measure.

SECTION 12. Construction

This measure shall be liberally construed to accomplish its purposes.

SECTION 13. Effective Date

The provisions of this measure shall go into effect January 1, 1987, except that Section 2 shall go into effect immediately.

Number
on ballot

70. Wildlife, Coastal, and Park Land Conservation Bond Act.

[Submitted by the initiative and approved by electors June 7, 1988]

PROPOSED LAW

SECTION 1. This act shall be known and may be cited as the California Wildlife, Coastal, and Park Land Conservation Act of 1988.

SEC. 2. Division 5.8 (commencing with Section 5900) is added to the Public Resources Code, to read:

**DIVISION 5.8. CALIFORNIA WILDLIFE, COASTAL,
AND PARK LAND CONSERVATION ACT**

CHAPTER 1 GENERAL PROVISIONS

5900 This division shall be known and may be cited as the California Wildlife, Coastal, and Park Land Conservation Act.

5901. The people of California find and declare all of the following:

(a) Parks, wildlife habitat, beaches, and open-space lands are vital to maintaining the quality of life in California. As the state's population increases, it is of growing importance to provide parks and recreational opportunities to the residents of California.

(b) Preservation of California's unique natural heritage is in the interest of all Californians.

5902 As used in this division, the following terms have the following meanings:

(a) "Conservation easement" means an interest in real property as defined in Section 815 1 of the Civil Code.

(b) "District" means any regional park or open-space district formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 and any recreation and park district formed pursuant to Chapter 4 (commencing with Section 5780) of Division 5. With respect to any community or unincorporated region which is not included within a regional park or open-space district or a recreation and park district and in which no city or county provides parks or recreational areas or facilities, "district" also means any other district which is authorized by statute to operate and manage parks or recreational areas or facilities, employs a full-time park and recreation director and offers year-round park and recreation services on lands and facilities owned by the district, and allocates a substantial portion of its annual operating budget to parks or recreation areas or facilities.

(c) "Fund" means the California Wildlife, Coastal, and Park Land Conservation Fund of 1988 created pursuant to Section 5906

(d) "Historical resource" includes, but is not limited to, any building, structure, site areas, or place which is historically or archeologically significant, or is significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California.

(e) "Historical preservation project" means a project designed to preserve an historical resource which is either listed in the National Register of Historic Places or is registered as either a state historical landmark or point of historical interest pursuant to Section 5021.

(f) "Local coastal program" means any program created under Section 30108.6.

(g) "Natural lands" means an area of relatively undeveloped land which (1) has substantially retained its characteristics as provided by nature or has been substantially restored, or which can be feasibly restored, to a near-natural condition, and which has outstanding wildlife, scenic, open-space, or park resources, or a combination thereof, or (2) meets the definition of open-space land in Section 65560 of the Government Code

(h) "Nonprofit organization" means any charitable organization described in Section 501(c)(3) of the federal Internal Revenue Code, which has among its primary purposes the conservation and preservation of wetlands or of lands predominantly in their natural, scenic, historical, agricultural, forested, or open-space condition

(i) "Park" means a tract of land with outstanding scenic, natural, open-space, or recreational values, set apart to conserve natural, scenic, cultural, or ecological resources for present and future generations, and to be used by the public as a place for rest, recreation, education, exercise, inspiration, or enjoyment.

(j) "Riparian habitat" means lands that contain habitat which grows close to and which depends upon soil moisture from a nearby freshwater source.

(k) "Stewardship" means the development and implementation of major programs for the protection, rehabilitation, restoration, and enhancement of the basic natural systems and outstanding scenic features of the state park system. It does not mean the maintenance or alteration of facilities, developments, or any physical installations whose original purpose was not the protection of natural scenic resources.

(l) "Wetlands" means lands which may be covered periodically or permanently with shallow water and which include saltwater marshes, freshwater marshes, open or closed brackish water marshes, swamps, mudflats, fens, and vernal pools.

5903 For the purposes of the State General Obligation Bond Law, "state grant" or "state grant moneys" means moneys received by the state from the sale of bonds authorized by law for the purposes of this division which are available for grants to counties, cities, cities and counties, districts, and nonprofit organizations

CHAPTER 2. CALIFORNIA WILDLIFE, COASTAL, AND PARK LAND CONSERVATION PROGRAM

5905. Wildlife, coastal, and park land conservation is in the public interest and is necessary to keep these lands in open-space, natural, and recreational uses, to provide clean air and water, to protect significant environmental and scenic values of wildlife and plant habitat, riparian and wetland areas, and other open-space lands, and to provide opportunities for the people of California to enjoy, appreciate, and visit natural environments and recreational areas

It is the intent of the People of California in enacting this division that it be carried out in the most expeditious manner possible, and that all state officials implement this division to the fullest extent of their authority.

5906. The California Wildlife, Coastal, and Park Land Conservation Fund of 1988 is hereby created

5907. All money deposited in the fund shall be available for expenditure, in accordance with Section 5921, for the purposes set forth below, in amounts not to exceed the following

(a) One hundred sixty-six million dollars (\$166,000,000) to the Department of Parks and Recreation for grants to counties, cities, cities and counties, districts, and nonprofit organizations for acquisition, development, rehabilitation, or

restoration of real property for parks, beaches, wildlife habitat, natural lands, recreation, or preservation of historical resources, including an amount not to exceed two million four hundred ninety thousand dollars (\$2,490,000) for state administrative costs, in accordance with the following schedule:

(1) One hundred twenty million dollars (\$120,000,000) for grants to counties, cities, and districts on a per capita basis for the acquisition, development, rehabilitation, or restoration of real property for parks, beaches, wildlife habitat, natural lands, and recreation, except that each county is entitled to not less than one hundred thousand dollars (\$100,000).

(2) Twenty million dollars (\$20,000,000) for expenditure by the Department of Parks and Recreation for the purpose of the Roberti-Z'berg-Harris Urban Open Space and Recreation Program Act (Chapter 3.2 (commencing with Section 5620) of Division 5 of the Public Resources Code).

(3) Ten million dollars (\$10,000,000) for competitive grants for park, beach, and recreational purposes to public agencies which provide significant park and recreational opportunities to the general public and are not eligible for grants pursuant to paragraph (1).

(4) Eleven million dollars (\$11,000,000) for competitive grants to public agencies and nonprofit organizations for acquisition, development, rehabilitation, or restoration of historical or archeological resources and for historical and archeological resources preservation projects and costs of planning and interpretation. Not less than one million dollars (\$1,000,000) shall be used for archeological resources preservation purposes.

(5) Five million dollars (\$5,000,000) for competitive grants to public agencies and nonprofit organizations for acquisition and development of land and rights-of-way for bicycle, horse, hiking, and handicapped access trails.

(b) Three hundred thirty-eight million seven hundred thousand dollars (\$338,700,000) to the Department of Parks and Recreation for acquisition of park lands, wildlife habitat, coastal, and natural lands in California, and for grants to local agencies and nonprofit organizations, including an amount not to exceed five million eighty thousand five hundred dollars (\$5,080,500) for state administrative costs, in accordance with the following schedule:

(1) Ninety-eight million six hundred thousand dollars (\$98,600,000) to the Department of Parks and Recreation for acquisition of real property in accordance with the following schedule:

(A) Twelve million dollars (\$12,000,000) for acquisition of land for the California Redwood State Parks, including, but not limited to, Big Basin Redwoods, Butano, Calaveras Big Trees, Forest of Nisene Marks, Hendy Woods, Humboldt Lagoons, Humboldt Redwoods, Jedediah Smith Redwoods, Portola, Prairie Creek Redwoods, Richardson Grove, and Sinkyone Wilderness State Parks; Benbow Lake State Recreation Area, Fort Ross State Historical Park, and Paul M. Dimmick State Wayside Campground; provided that each dollar up to at least ten million dollars (\$10,000,000) from the funds to be spent pursuant to this subparagraph shall be matched with an equal amount in money or property from private gifts, city or county appropriations, or alternative sources other than the State of California.

(B) Five million dollars (\$5,000,000) for acquisition of land within and adjacent to Anza-Borrego Desert State Park.

(C) Nineteen million dollars (\$19,000,000) for acquisition of land in the Palm Canyon and Andreas Canyon region near Palm Springs for a park for the preservation of Indian heritage and of native palms.

(D) Seven million dollars (\$7,000,000) for acquisition of lands in accordance with the general plan for the Chino Hills State Park, including the lands north of Highway 142.

(E) Ten million dollars (\$10,000,000) for acquisition of land for additions to the Santa Susana Mountain Project to preserve historic and scenic sites, for hiking and equestrian trails, or for wildlife habitat and migration routes; provided that all acquisitions shall be located within the Rim of the Valley Corridor as defined in Section 33105.5 within the Simi Hills or Santa Susana Mountains in Los Angeles and Ventura Counties.

(F) Two million dollars (\$2,000,000) for acquisitions within and adjacent to Big Basin Redwoods State Park and Castle Rock State Park in the Santa Cruz Mountains

(G) Three million dollars (\$3,000,000) for acquisition of lands in Santa Clara County within and adjacent to Henry Coe State Park and for lands in Stanislaus County within the park.

(H) One million dollars (\$1,000,000) for acquisition of natural lands for expansion of Pescadero Marsh Natural Preserve at Pescadero State Beach.

(I) Twenty-five million dollars (\$25,000,000) for acquisition of land for an East Bay Shoreline State Park in the Counties of Alameda or Contra Costa, or both, generally in accordance with the East Bay Shoreline feasibility study.

(J) Four million dollars (\$4,000,000) for acquisition of natural lands within and adjacent to Mt. Diablo State Park.

(K) Four million dollars (\$4,000,000) for implementation of the Frank's Tract State Recreation Area General Plan with first priority given to the western portion, providing secondary wave protection benefits to adjacent islands.

(L) One million six hundred thousand dollars (\$1,600,000) for acquisition of wetlands in and adjacent to the Delta Meadows Project.

(M) Two million dollars (\$2,000,000) for acquisition of natural lands within and adjacent to Robert Louis Stevenson State Park.

(N) One million dollars (\$1,000,000) for expansion of Anderson Marsh State Historic Park

(O) Two million dollars (\$2,000,000) for expansion of the South Yuba Project along the South Fork of the Yuba River to protect scenic vistas and riparian habitat and to provide for recreational trails.

(2) Fifty-four million seven hundred thousand dollars (\$54,700,000) for acquisition, development, rehabilitation, or restoration of real property in the state park system in accordance with the following schedule:

(A) Four million seven hundred thousand dollars (\$4,700,000) for acquisitions of real property inside the boundaries of existing projects or units or as additions to existing projects or units.

(B) Fourteen million dollars (\$14,000,000) for development, rehabilitation, or restoration of coastal resources, other than coastal resources in or on San Francisco Bay, in accordance with the following schedule:

(i) Eight million dollars (\$8,000,000) within San Diego County through Santa Barbara County.

(ii) Four million dollars (\$4,000,000) within San Luis Obispo County through the City and County of San Francisco.

(iii) Two million dollars (\$2,000,000) within Marin County through Del Norte County.

(C) Three million dollars (\$3,000,000) for development, rehabilitation, or restoration of resources in or on San Francisco Bay.

(D) Eight million dollars (\$8,000,000) for development, rehabilitation, or restoration of inland resources.

(E) Two million dollars (\$2,000,000) for development, rehabilitation, or restoration at lakes, reservoirs, and waterways, including the State Water Facilities, as defined in paragraphs (1) to (4), inclusive, of subdivision (d) of Section 12934 of the Water Code

(F) One million dollars (\$1,000,000) for the repair of storm damage and construction to prevent future storm damage.

(G) Three million dollars (\$3,000,000) for planning, development, rehabilitation, restoration, or interpretive facilities in support of volunteer community action projects for the state park system.

(H) Ten million dollars (\$10,000,000) for the increased stewardship of the public investment in the protection of the most critical natural and scenic features of the existing state park system.

(I) Five million dollars (\$5,000,000) for rehabilitation and restoration of historical resources of the state park system.

(J) Three million dollars (\$3,000,000) for development and rehabilitation of trails within the state park system or connecting units of the state park system.

(K) One million dollars (\$1,000,000) for acquisition and development of trailheads for the Sno-Park program pursuant to Chapter 1 27 (commencing with Section 5091.01) of Division 5, including access to the Tahoe Rim Trail

(3) One hundred eighty-five million four hundred thousand dollars (\$185,400,000) to the Department of Parks and Recreation for grants to local agencies in accordance with the following schedule.

(A) Thirty million dollars (\$30,000,000) for a grant to San Diego County in accordance with the following schedule:

(i) Ten million dollars (\$10,000,000) for acquisition of natural lands in the San Dieguito River Valley.

(ii) Ten million dollars (\$10,000,000) for acquisition of natural lands in the Tijuana River Valley.

(iii) Ten million dollars (\$10,000,000) for acquisition of San Diego County resource conservation areas and urban canyons in accordance with the resource element of the County General Plan.

(B) Ten million dollars (\$10,000,000) for a grant to the City of Laguna Beach for acquisition of, and for grants by the city to nonprofit organizations for acquisition of, natural lands within and contiguous to the Laguna Greenbelt as described in the Orange County General Plan.

(C) Four million dollars (\$4,000,000) for a grant to the City of Irvine for acquisition of natural lands in the open space spine designated in the City of Irvine General Plan.

(D) Eleven million dollars (\$11,000,000) for a grant to the City of Riverside in accordance with the following schedule:

(i) One million dollars (\$1,000,000) for acquisition of natural lands in Sycamore Canyon Wilderness Park in accordance with the City of Riverside Specific Plan

(ii) Ten million dollars (\$10,000,000) for acquisition of land in and near the California Citrus State Historic Park located in the Arlington Heights area of Riverside.

(E) Two million four hundred thousand dollars (\$2,400,000) for a grant to the County of Riverside in accordance with the following schedule

(i) Four hundred thousand dollars (\$400,000) for acquisition of land to expand Hurkey Creek Park.

(ii) One million dollars (\$1,000,000) for acquisition of land for trails in the Santa Ana River Corridor.

(iii) One million dollars (\$1,000,000) for acquisition of land for trails suitable for equestrian and hiking uses in Riverside County, including the Temescal Canyon Trail.

(F) Twenty million dollars (\$20,000,000) for a grant to the County of San Bernardino for acquisition of land primarily through the use of conservation easements within the Chino Agricultural Preserve.

(G) Twenty-five million dollars (\$25,000,000) for a grant to Los Angeles County in accordance with the following schedule:

(i) Ten million dollars (\$10,000,000) for acquisition or development of non-commercial visitor use and access facilities, and/or renovation of existing facilities at county, state, or city beaches operated by Los Angeles County.

(ii) Ten million dollars (\$10,000,000) for acquisition of land for the Baldwin Hills State Recreation Area in accordance with the general plan for Baldwin Hills State Recreation Area.

(iii) Five million dollars (\$5,000,000) for acquisition of natural lands to establish the Brea Heights Regional County Park.

(H) Seven million dollars (\$7,000,000) for a grant to the County of Santa Barbara for acquisition of natural lands, wildlife habitat, wetlands, and agricultural land preservation, in incorporated and unincorporated areas, in accordance with the following schedule, except that expenditures for nonagricultural lands shall be limited to acquisition of lands in the Coastal Zone and shall be of sufficient size to be a major natural or low intensity community recreational resource:

(i) Four million eight hundred thousand dollars (\$4,800,000) for nonagricultural lands located south of the ridge line of the Santa Ynez Mountain Range.

(ii) One million two hundred thousand dollars (\$1,200,000) for nonagricultural lands north of the ridge line of the Santa Ynez Mountain Range

(iii) One million dollars (\$1,000,000) for the preservation of agricultural land in Santa Barbara County as identified for agricultural use in the Santa Barbara County Comprehensive Plan. These funds shall be used primarily for the acquisition of conservation easements.

(I) Four million dollars (\$4,000,000) for a grant to the County of Monterey for acquisition of conservation easements in Monterey County on agricultural lands in the Salinas and Pajaro Valleys.

(J) Two million dollars (\$2,000,000) for a grant to the Monterey Peninsula Regional Park District to expand the Garland Ranch Regional Park and for acquisition of natural lands and wildlife and riparian habitat in the Bixby Creek watershed.

(K) One million dollars (\$1,000,000) for a grant to the County of Santa Cruz for acquisition of conservation easements in Santa Cruz County on commercially viable agricultural lands in the Pajaro Valley and the coastal terrace north of the City of Santa Cruz, consistent with Section 2.3.1 of the Santa Cruz County General Plan.

(L) Fifteen million dollars (\$15,000,000) for acquisition of those greenbelt lands known as the Pogonip property located in the City of Santa Cruz and the County of Santa Cruz, as defined in the 1979 City of Santa Cruz Greenbelt Ordinance. This acquisition shall be accomplished through grants to the follow-

ing entities listed in order of priority: (1) the City of Santa Cruz and (2) a park and open space district or a park and recreation district formed by the local electorate.

(M) Ten million dollars (\$10,000,000) for a grant to the Midpeninsula Regional Open Space District for acquisition in accordance with the following schedule:

(i) One million dollars (\$1,000,000) for acquisition of land between property managed by the district and Castle Rock State Park and Portola State Park.

(ii) Nine million dollars (\$9,000,000) for expansion of Rancho San Antonio, Sierra Azul, El Sereno, El Corte de Madera Creek, and Windy Hill Open Space Preserves and for acquisition of Teague Hill Open Space Preserve.

(N) Thirteen million dollars (\$13,000,000) for a grant to the East Bay Regional Park District in accordance with the following schedule:

(i) Ten million dollars (\$10,000,000) for expenditure in accordance with the East Bay Regional Park District Master Plan, for expansion of Morgan Territory Regional Park and Briones Regional Park, acquisitions of natural lands along the Carquinez Straits and on Pleasanton Ridge, and shoreline access and trail acquisitions adjacent to the San Francisco Bay.

(ii) One million five hundred thousand dollars (\$1,500,000) for acquisition of lands in the southern portion of Walpert Ridge in Hayward in central Alameda County.

(iii) One million five hundred thousand dollars (\$1,500,000) for expansion of the Carquinez Shoreline Park in Port Costa.

(O) Five million dollars (\$5,000,000) for a grant to the Marin County Open Space District for acquisition of natural lands on Loma Alta Mountain, Big Rock Ridge, and other wetlands, wildlife habitat, and natural lands in accordance with the Environmental Quality and Open Space Elements of the Marin Countywide Plan.

(P) Fifteen million dollars (\$15,000,000) for a grant to the County of Marin for preservation of, and for grants by the county to nonprofit organizations for preservation of agricultural lands in the Marin County coastal zone and inland rural corridor, in accordance with the Marin County Agricultural Land Preservation Program. Funds provided in this subparagraph shall be used primarily to acquire agricultural conservation easements.

(Q) One million six hundred thousand dollars (\$1,600,000) for a grant to the City of Mill Valley for acquisition of natural lands on the Northridge and spurs of Mount Tamalpais, in accordance with the Open Space Elements in the Marin Countywide Plan or the Mill Valley General Plan, or both.

(R) One million dollars (\$1,000,000) for a grant to the City of Vacaville for acquisition of natural lands along the ridgelines of the Vaca Mountains, Blue Ridge Mountains, and English Hills, including Old Rocky, for a ridgeline park in accordance with the Vacaville City General Plan.

(S) Two million dollars (\$2,000,000) for a grant to the City of Davis for acquisition of, or for grants from the city to nonprofit organizations for acquisition of, wildlife and riparian habitat, wetlands, and potential wetlands within the 1987 Davis General Plan Study Area.

(T) Six million dollars (\$6,000,000) for a grant to the County of Sacramento, to be shared by the county with the City of Sacramento on a per capita basis, for acquisition of parklands, wetlands, wildlife habitat, and related greenbelt areas

in the county along Morrison Creek, Dry Creek, Snodgrass Slough, Cosumnes River, Laguna Creek, Sacramento River, and American River, consistent with the County Park System Master Plan.

(U) Four hundred thousand dollars (\$400,000) for a grant to Lake County for acquisition of a county park that provides wildlife habitat, riparian areas, and recreational benefits near Middletown.

(c) Eighty-one million three hundred thousand dollars (\$81,300,000) to the Wildlife Conservation Board for programs involving the acquisition of land pursuant to the Wildlife Conservation Law of 1947, subject to Section 2625 of the Fish and Game Code and consistent with the purposes of this division, and for grants to local agencies, including an amount not to exceed one million two hundred nineteen thousand five hundred dollars (\$1,219,500) for state administrative costs, in accordance with the following schedule.

(1) Thirty-eight million dollars (\$38,000,000) for projects involving the acquisition, preservation, protection, restoration, enhancement, or development of wetlands for wildfowl and other wildlife habitat, in accordance with the following schedule:

(A) Thirteen million dollars (\$13,000,000) for acquisition or restoration of wetlands within or adjacent to (1) the areas subject to the jurisdiction of the San Francisco Bay Conservation and Development Commission or (2) the boundaries of historic San Francisco Bay wetlands as designated in the 1985 United States Fish and Wildlife Service National Wetland Inventory Maps for the San Francisco Bay Area or in subsequent updates with not less than eight million dollars (\$8,000,000) for acquisition or restoration of wetlands south of the San Mateo Bridge.

(B) Twenty-five million dollars (\$25,000,000) for wetlands outside the coastal zone as defined in Section 30103 and other than within the area defined in subparagraph (A).

(2) Two million dollars (\$2,000,000) for acquisition of Monarch Butterfly habitat.

(3) Ten million dollars (\$10,000,000) for acquisition of riparian habitat that drains into the Pacific Ocean within the Counties of San Diego, Orange, Los Angeles, and Ventura.

(4) Four million dollars (\$4,000,000) for acquisition of land containing Tecate Cypress forest and associated rare species in Coal Canyon in Orange County.

(5) Five million dollars (\$5,000,000) for acquisition of wildlife habitat and natural lands along the San Joaquin River between Friant Dam and Highway 99 in the Counties of Fresno and Madera.

(6) Three hundred thousand dollars (\$300,000) for acquisition of valley oak riparian forest and wetlands along the Mokelumne River near Galt in San Joaquin County.

(7) Two million dollars (\$2,000,000) for acquisition of wetlands, riparian habitat, vernal pools, and immediately adjacent natural uplands in the vicinity of the Stanislaus, Tuolumne, Merced, and San Joaquin Rivers and their tributaries in Stanislaus, San Joaquin, and Merced Counties.

(8) Four million dollars (\$4,000,000) for acquisition of riparian habitat along the Sacramento River from Shasta Dam to Collinsville.

(9) One million dollars (\$1,000,000) for acquisition of riparian habitat along the Feather River from Oroville to the mouth of the river.

(10) Four million dollars (\$4,000,000) for acquisition of inland, San Pablo Bay, and coastal wetlands in Sonoma County, including the Laguna de Santa Rosa.

(11) Two million dollars (\$2,000,000) for acquisition within the Napa Marsh and associated wetlands.

(12) One million dollars (\$1,000,000) for acquisition of wildlife habitat along the East Shore of Lake Berryessa as identified by the Department of Fish and Game.

(13) Four million dollars (\$4,000,000) for acquisition of sensitive riparian areas, meadows, critical wildlife habitat, and recreation lands in the Hope Valley area just south of Lake Tahoe in Alpine County. Portions of these lands which could provide compatible recreational opportunities may be managed by the Department of Parks and Recreation under an interagency agreement with the Department of Fish and Game.

(14) Four million dollars (\$4,000,000) for acquisition of old growth redwoods, mixed forest, and wildlife habitat near the town of Whitethorn in the Mattole River watershed in Humboldt and Mendocino Counties.

(d) Fifty-eight million dollars (\$58,000,000) to the State Coastal Conservancy pursuant to Division 21 (commencing with Section 31000), consistent with the purposes of this division, for acquisition, enhancement, or restoration of natural lands and development of public accessways in coastal areas and the San Francisco Bay region, and for preservation of agriculture in coastal areas, and for grants to local agencies and nonprofit organizations, and for related state administrative costs, in accordance with the following schedule:

(1) Thirty-four million dollars (\$34,000,000) to the State Coastal Conservancy for acquisition, enhancement, or restoration of natural lands, and development of public accessways in coastal areas and the San Francisco Bay region; and for preservation of agriculture in coastal areas, pursuant to Division 21 (commencing with Section 31000). These funds include the five million eight hundred fifty thousand dollars (\$5,850,000) advanced by the Coastal Conservancy to the Santa Monica Mountains Conservancy for the Circle X acquisition in the Santa Monica Mountains. Up to one million five hundred thousand dollars (\$1,500,000) of the total funds available pursuant to this paragraph shall be spent on expansion of the Bolsa Chica Linear Park in Orange County or for disbursement to the City of Huntington Beach or other appropriate agencies for this purpose, or for restoration, enhancement, or expansion of the Bolsa Chica wetlands that is not otherwise required for mitigation, or both. Up to four million dollars (\$4,000,000) of the total funds available pursuant to this paragraph shall be spent for the purposes of paragraph (2) if the funds allocated in paragraph (2) prove to be insufficient to achieve the purposes of that paragraph.

(2) Ten million dollars (\$10,000,000) for acquisition of natural lands to preserve coastal resources in the coastal dunes and wetlands from Mussel Point to Grover City west of Highway 1 in San Luis Obispo and Santa Barbara Counties. Up to seven hundred fifty thousand dollars (\$750,000) may be spent for dunes restoration and public access consistent with coastal resources preservation.

(3) One million five hundred thousand dollars (\$1,500,000) for acquisition of coastal natural lands and wetlands in Monterey County between Monterey Wharf #2 and the Salinas River.

(4) Eight million dollars (\$8,000,000) for acquisition of, and for grants to public agencies or nonprofit organizations for acquisition of, coastal lands within San Mateo County that meet three or more of the following criteria, with preference given to lands meeting the largest number of criteria: (1) ocean frontage, (2) state or county scenic corridor, (3) designated in the County General Plan as agriculture, (4) sensitive habitat areas or wetlands, (5) close proximity to urban areas, or (6) adjacent to other permanently dedicated public

or private natural lands. These funds shall not be used for urban waterfronts or for lot consolidation projects as defined in Chapters 5 (commencing with Section 31200) and 7 (commencing with Section 31300) of Division 21.

(5) Four million dollars (\$4,000,000) for acquisitions in Sonoma County of coastal natural lands and coastal wetlands south of Stewart Point, and for acquisition of San Pablo Bay wetlands and natural lands.

(6) Five hundred thousand dollars (\$500,000) for acquisition of, and for grants to nonprofit organizations for acquisition of, land containing old growth Douglas-fir on Mill Creek, a tributary of the Mattole River in Humboldt County, and for public access to the lands acquired.

(e) Eighty-two million dollars (\$82,000,000) to the following agencies, and for grants to local agencies and nonprofit organizations, including state administrative costs, for the following purposes:

(1) Seventeen million dollars (\$17,000,000) to the Department of Fish and Game, including an amount not to exceed two hundred fifty-five thousand dollars (\$255,000) for state administrative costs, in accordance with the following schedule:

(A) Ten million dollars (\$10,000,000) for restoration and enhancement of salmon streams in accordance with the recommendations of the Commercial Salmon Stamp Advisory Committee and the Advisory Committee on Salmon and Steelhead Trout

(B) Six million dollars (\$6,000,000) for restoration and enhancement of wild trout and native steelhead habitat; for capital outlay to design, develop, and construct an experimental wild trout and native steelhead propagation facility; for acquisition of land important for the perpetuation of wild trout and native steelhead; and to provide public access to wild trout and native steelhead waters.

(C) One million dollars (\$1,000,000) for marine patrol boats and other equipment for enforcement of fish and game regulations to protect fish, marine birds, and marine mammals from Point Conception to Fort Bragg.

(2) Five million dollars (\$5,000,000) to the Department of Forestry for urban forestry programs, and for related state administrative costs not to exceed two hundred fifty thousand dollars (\$250,000), in accordance with Section 4799.12.

(3) Five million dollars (\$5,000,000) to the Department of Water Resources for grants to counties, cities, cities and counties, districts, and nonprofit organizations for the acquisition or restoration of natural lands which contain urban streams, creeks, and riparian areas, and for related state administrative costs not to exceed two hundred fifty thousand dollars (\$250,000), in accordance with Section 7048 of the Water Code.

(4) Thirty million dollars (\$30,000,000) to the Santa Monica Mountains Conservancy for land acquisition and for grants to nonprofit organizations for land acquisition in the Santa Monica Mountains, and for related state administrative costs, pursuant to Division 23 (commencing with Section 33000) and consistent with the purposes of this division. Five million dollars (\$5,000,000) of this amount shall be for grants to nonprofit organizations pursuant to Section 33204.2.

(5) Twenty-five million dollars (\$25,000,000) to the County of Monterey to be transferred directly to the 1988 Bond Act Account of the Big Sur Preservation Fund of Monterey County to support implementation of "critical viewshed" policies of the county's Big Sur Coast Land Use Plan which was certified by the California Coastal Commission on April 9, 1986, as a component of the Big Sur Local Coastal Program.

The intent of this paragraph is to ensure that the exceptional vistas seen from Scenic Highway One along the Big Sur Coast in Monterey County will be preserved in a manner that ensures the continuation of existing state and local jurisdiction over the Big Sur area.

CHAPTER 3. MISCELLANEOUS PROVISIONS

5910. (a) *The grant funds authorized pursuant to paragraph (1) of subdivision (a) of Section 5907 shall be allocated to counties, cities, cities and counties, and districts on the basis of their populations, as determined by the Department of Parks and Recreation in cooperation with the Department of Finance, on the basis of the most recent verifiable census data and other population data as the Department of Parks and Recreation may require to be furnished by any county, city, city and county, or district.*

(b) *Forty percent of the total funds available for grants shall be allocated to counties and regional park, open-space, or park and open-space districts formed pursuant to Chapter 3 (commencing with Section 5500). Each county's allocation shall be in the same ratio as the county's population is to the state's total population, except that each county is entitled to a minimum allocation of one hundred thousand dollars (\$100,000). In any county that embraces all or part of the territory of a regional park, open-space, or park and open-space district whose board of directors is not the county board of supervisors, the amount allocated to the county shall be apportioned between the regional district and the county in proportion to the population of the county that is included within the territory of the regional district and the population of the county that is outside the territory of the regional district.*

(c) (1) *Sixty percent of the total funds available for grants shall be allocated to cities and districts, other than regional park, open-space, or park and open-space districts. Each city's and each district's allocation shall be in the same ratio as the city's or district's population is to the combined total of the state's population that is included in incorporated areas and in unincorporated areas within the districts, except that each city or district is entitled to a minimum allocation of twenty thousand dollars (\$20,000). In any instance in which the boundary of a city overlaps the boundary of a district, the population in the area of overlapping jurisdictions shall be attributed to each jurisdiction in proportion to the extent to which each operates and manages parks and recreational areas and facilities for that population. In any instance in which the boundary of a city overlaps the boundary of a district, and in the area of overlap the city does not operate and manage parks and recreational areas and facilities, all grant funds shall be allocated to the district.*

(2) *Each city and district whose boundaries overlap shall develop a specific plan for allocating the grant funds in accordance with the formula specified in paragraph (1). If by October 1, 1990, the plan has not been agreed to by the affected jurisdictions and submitted to the Department of Parks and Recreation, the Director of Parks and Recreation shall determine the allocation of the grant funds among the affected jurisdictions.*

(d) *Individual application for grants pursuant to subdivision (a) of Section 5907 shall be submitted to the Department of Parks and Recreation for approval as to conformity with the requirements of this division. The application shall be accompanied by certification from the planning agency of the applicant that the project for which the grant is applied is consistent with the park and recreation element of the applicable city or county general plan or the district park and recreation plan and will satisfy a high priority need. In order to utilize available*

grant funds as effectively as possible, overlapping or adjoining jurisdictions are encouraged to combine projects and submit a joint application.

(e) The minimum amount that the applicant may request for any individual project is twenty thousand dollars (\$20,000). Any agency may allocate all or a portion of its per capita share for a regional or state project.

(f) The Director of Parks and Recreation shall annually forward a statement of the total amount to be appropriated in each fiscal year for projects approved for grants pursuant to subdivision (a) of Section 5907 to the Director of Finance for inclusion in the Budget Bill. The amount of grant funds to be allocated to each eligible jurisdiction shall be published in the Governor's Budget for the fiscal year in which the appropriation for those grants is to be made and, as soon as possible thereafter, a list of projects for which grants have been approved shall be made available by the Department of Parks and Recreation.

(g) Funds appropriated for grants pursuant to subdivision (a) of Section 5907 shall be encumbered by the recipient within three years of the date when the appropriation became effective, regardless of the date when each project was approved pursuant to this section. Commencing with the Budget Bill for the 1992-93 fiscal year, any grant funds authorized under paragraphs (1) and (2) of subdivision (a) of Section 5907 that were not accepted by the recipient, or were not encumbered by the recipient within that three-year period, are available for appropriation for one or more of the classes of expenditures specified in Section 5907 that the Legislature deems to be of the highest priority statewide.

5911. Funds authorized in paragraph (3) of subdivision (a) of Section 5907 may be expended for the acquisition, development, rehabilitation, or restoration of parks, beaches, open-space lands, recreational trails, or recreational facilities and areas, and for development rights or scenic easements in connection with those acquisitions. After at least one public hearing, the Director of Parks and Recreation shall prepare and adopt criteria and procedures for evaluating those competitive grants. The minimum amount that the applicant may request for any individual project is twenty thousand dollars (\$20,000).

5912. The funds authorized in paragraph (4) of subdivision (a) of Section 5907 shall be available as grants on a competitive basis to cities, counties, cities and counties, districts, and nonprofit organizations and shall be encumbered by the recipient within three years of the date when the appropriation became effective. The Director of Parks and Recreation, through the Office of Historic Preservation, shall prepare and adopt criteria and procedures for evaluating those competitive grants. An individual jurisdiction may enter into an agreement with a nonprofit organization for the purpose of carrying out a grant, subject to the requirements of Section 5917.

5913. The funds authorized in paragraph (5) of subdivision (a) of Section 5907 shall be available as grants on a competitive basis to local units of government, and nonprofit organizations authorized to provide park, recreation, or open-space services or facilities to the general public. The Director of Parks and Recreation shall prepare and adopt criteria and procedures for evaluating those competitive grants for trail development.

5914. An application for a grant pursuant to subdivision (a) or (b) of Section 5907 shall be submitted to the Director of Parks and Recreation for review and approval; an application for a grant pursuant to subdivision (d) of Section 5907 shall be submitted to the Director of the State Coastal Conservancy for review and approval; an application for a grant pursuant to paragraph (1) of subdivision (e) of Section 5907 shall be submitted to the Director of Fish and Game for review and approval; an application for a grant pursuant to paragraph (2) of

subdivision (e) of Section 5907 shall be submitted to the Director of Forestry for review and approval; an application for a grant pursuant to paragraph (3) of subdivision (e) of Section 5907 shall be submitted to the Director of Water Resources for review and approval; and an application for a grant pursuant to paragraph (4) of subdivision (e) of Section 5907 shall be submitted to the Director of the Santa Monica Mountains Conservancy for review and approval.

5915. (a) *Any member of the Legislature, the State Park and Recreation Commission, the California Coastal Commission, or the Secretary of the Resources Agency may nominate any project to be funded under paragraph (2) of subdivision (b) of Section 5907 for study by the Department of Parks and Recreation. The State Park and Recreation Commission shall nominate projects after holding at least one public hearing to seek project proposals from individuals, citizen groups, the Department of Parks and Recreation, and other public agencies. Any of the commissions shall make nominations by vote of its membership.*

(b) *The Department of Parks and Recreation shall study any project so nominated. In addition to the procedures required by Section 5006, the Department of Parks and Recreation shall submit to the Legislature and to the Secretary of the Resources Agency a report consisting of a priority listing and comparative evaluation of all projects nominated for study not later than March 1, 1989.*

5916. (a) *Acquisition of real property for the state park system by purchase or by eminent domain shall be under the Property Acquisition Law (Part 11 (commencing with Section 15850) of Division 3 of Title 2 of the Government Code).*

(b) *Work efforts for stewardship purposes pursuant to subparagraph (H) of paragraph (2) of subdivision (b) of Section 5907 may include, but are not limited to, objectives such as the control of major erosion and geologic hazards, the restoration and improvement of critical plant and animal habitat, the control and elimination of exotic species encroachment, the stabilization of coastal dunes and bluffs, and the planning necessary to implement those activities. Those efforts may not include activities which merely supplement park system operations or which are usually funded from other sources*

5917. *Funds granted pursuant to Section 5907 may be expended for development, rehabilitation, or restoration only on lands owned by, or subject to a lease or other interest, held by the applicant city, county, city and county, district, or nonprofit organization. If those lands are not owned by the applicant, the applicant shall first demonstrate to the satisfaction of the administering agency that the project will provide public benefits commensurate with the type and duration of interest in land held by the applicant.*

5918. *Every expenditure pursuant to this division shall comply with the California Environmental Quality Act (Division 13 (commencing with Section 21000)).*

5919 (a) *No state funds authorized under Section 5907 may be disbursed unless the applicant agrees:*

(1) *To maintain and operate the property acquired, developed, rehabilitated, or restored with the funds in perpetuity. With the approval of the granting agency, the applicant or its successors in interest in the property may transfer the responsibility to maintain and operate the property in accordance with this section.*

(2) *To use the property only for the purposes of this division and to make no other use, sale, or other disposition of the property except as authorized by specific act of the Legislature.*

All applicants for a grant pursuant to paragraph (3) of subdivision (b) and pursuant to subdivisions (c), (d), and (e) of Section 5907 shall submit an application to the administering agency for grant approval. Each application shall include in writing the agreements specified in paragraphs (1) and (2) of this subdivision.

The agreements specified in paragraphs (1) and (2) of this subdivision shall not prevent the transfer of property acquired, developed, rehabilitated, or restored with funds authorized pursuant to Section 5907 from the applicant to a public agency, provided the successor public agency assumes the obligations imposed by those agreements.

(b) If the use of the property acquired through grants pursuant to this division is changed to one other than permitted under the category from which the funds were appropriated, or the property is sold or otherwise disposed of, an amount equal to the (1) amount of the grant, (2) the fair market value of the real property, or (3) the proceeds from the portion thereof, acquired, developed, rehabilitated, or restored with the grant shall be used by the grantee, subject to subdivision (a), for a purpose authorized in that category or shall be reimbursed to the fund and be available for appropriation only for a use authorized in that category.

If the property sold or otherwise disposed of is less than the entire interest in the property originally acquired, developed, rehabilitated, or restored with the grant, an amount equal to the proceeds or the fair market value of the property interest sold or otherwise disposed of, whichever is greater, shall be used by the grantee, subject to subdivision (a) of this section, for a purpose authorized in that category or shall be reimbursed to the fund and be available for appropriation only for a use authorized in that category.

5920. (a) All real property acquired pursuant to this division shall be acquired in compliance with Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code. The administering agency shall prescribe procedures sufficient to assure compliance by local public agencies and nonprofit organizations which receive funds under Section 5907.

(b) For the purposes of this division, acquisition may include gifts, purchases, leases, easements, the exercise of eminent domain if expressly authorized, the transfer or exchange of property for other property of like value, transfers of development rights or credits, and purchases of development rights and other interests.

(c) All grants, gifts, devises, or bequests to the state, conditional or unconditional, for park, conservation, recreational, agricultural, or other purposes for which real property may be acquired or developed pursuant to this division, may be accepted and received on behalf of the state by the appropriate departmental director with the approval of the Director of Finance. The grants, gifts, devises, or bequests are available, when appropriated by the Legislature, for expenditure for the purposes specified in Section 5907.

5921. (a) With respect to Section 5907, all appropriations for the purposes of subdivision (a), paragraph (2) of subdivision (b), paragraph (1) of subdivision (d), and paragraphs (1), (2), (3), and (4) of subdivision (e) for the program shall be included in a section of the Budget Bill for the 1989-90 fiscal year and each succeeding fiscal year for consideration by the Legislature and shall bear the caption "California Wildlife, Coastal, and Park Land Conservation Program" The section shall contain separate items for each project, each class of project, or each element of the program for which an appropriation is made.

(b) All appropriations specified in subdivision (a) are subject to all limitations enacted in the Budget Act and to all fiscal procedures prescribed by law with respect to the expenditure of state funds unless expressly exempted from those laws by a statute enacted by the Legislature. The Budget Act shall contain proposed appropriations only for the program elements and classes of projects contemplated by this division, and no funds derived from the bonds authorized by law for the purposes of this division may be expended pursuant to an appropriation not contained in those sections of the Budget Act.

(c) All funds not described in subdivision (a) are appropriated directly to the state or local agency which is to administer them. These funds are not subject to appropriation by the Legislature except as provided in Section 5922.

5922. With respect to Section 5907, if money allocated pursuant to paragraphs (1) and (3) of subdivision (b) [except for subparagraph (A) of paragraph (1) of subdivision (b)]; subdivision (c) [except for paragraph (1)]; paragraphs (2), (3), (4), (5), and (6) of subdivision (d), and paragraphs (1) and (5) of subdivision (e), is not expended prior to July 1, 1998, the agency to which the funds are originally allocated shall submit to the Legislature a plan for expenditure of the funds in accordance with the purposes of this division within a county in which the funds were originally authorized to be expended, and the Legislature may approve the plan by statute, passed in each house by a two-thirds vote. If the reallocated funds are not expended within 10 years after the effective date of that statute, the Legislature may, by statute, passed in each house by a two-thirds vote, reallocate the funds to the Department of Parks and Recreation for expenditure in the area of the state with the greatest need consistent with the purposes of this division.

5923 If some or all of the funds allocated pursuant to subparagraph (E) of paragraph (1) of subdivision (b) of Section 5907 are not expended by the Department of Parks and Recreation by July 1, 1993, the remaining funds shall be allocated to the Santa Monica Mountains Conservancy for the purposes of that subparagraph. The Legislature may at any time allocate all or a portion of these funds to the Santa Monica Mountains Conservancy for the purposes for which the funds were originally allocated.

5924. (a) Any lands acquired pursuant to subparagraph (C) of paragraph (1) of subdivision (b) of Section 5907 or pursuant to other sections of this act for acquisition of other lands of the Agua Caliente Indian Reservation shall be subject to this section. After that acquisition, the state shall convey title to all those lands to the United States in trust for the Agua Caliente Band of Cahuilla Indians as part of the Agua Caliente Indian Reservation on the conditions that (1) the lands be administered by the Agua Caliente Band of Cahuilla Indians as additions to the existing tribal reserves established by Section 3(c) of the act of September 21, 1959 (73 Stat. 603, P.L. 86-339), (2) the lands be open to the public, subject to reasonable restrictions such as those presently in effect for the above existing tribal reserves, and (3) the lands be used for protection of wildlife habitat and other resources, preservation of open space, recreation, preservation of the native palms and other plants and animals native to the area, and the preservation in place or respectful public display, at the option of the Agua Caliente Band of Cahuilla Indians, of the archeological and cultural resources of the lands.

Existing tribal reserve lands shall not be acquired, and acquisition within the reservation shall be limited to the southerly three-fourths of Section 2 and Sections 3, 11, 12, 14, 16, 22, 26, 29, 34, and 36 of Township 5 south; range 4 east, San Bernardino base and meridian, unless otherwise approved by the Agua

Caliente Indian Reservation Tribal Council. No acquisition within the boundaries of the Aqua Caliente Indian Reservation shall be made without the approval of the Aqua Caliente Band of Cahuilla Indians Tribal Council.

(b) Lands acquired pursuant to paragraph (5) of subdivision (a) of Section 5907 shall not be acquired through the use of eminent domain.

(c) Reasonable public access to lands acquired in fee with funds made available pursuant to this division shall be provided except where that access may interfere with habitat protection.

5925. With respect to funds allocated pursuant to subparagraph (L) of paragraph (3) of subdivision (b) of Section 5907, if it is not possible to acquire the entire Pogonip property, the funds shall be distributed to the entities listed in the priority established in subparagraph (L) of paragraph (3) of subdivision (b) of Section 5907 for the acquisition of portions of the Pogonip property and the balance, if any, for other greenbelt lands located in the City of Santa Cruz and the County of Santa Cruz as defined in the 1979 City of Santa Cruz Greenbelt Ordinance. If any of these entities fails to accomplish the acquisition of all or portions of the Pogonip property by January 1, 1991, the Department of Parks and Recreation shall acquire all or a portion of the Pogonip property as an addition to Henry Cowell Redwoods State Park. Acquisition shall be deemed to have occurred if a binding contract is entered into on or before January 1, 1991, notwithstanding the fact that a transfer of title shall occur subsequent to that date.

5926. None of the funds allocated pursuant to subparagraph (G) of paragraph (3) of subdivision (b) of Section 5907 for acquisition of land for the Baldwin Hills State Recreation Area or paragraph (1) of subdivision (d) of Section 5907 for expansion of Bolsa Chica Linear Park shall be used to acquire lands from which oil or gas is presently being extracted or from which oil or gas is capable of being extracted.

5927 The qualification for or allocation of a grant or grants to a local agency under one subdivision, paragraph, or subparagraph of Section 5907 shall not preclude eligibility for an additional allocation of grant funds to the same local agency pursuant to another subdivision, paragraph, or subparagraph of Section 5907 or pursuant to Section 2720 of the Fish and Game Code.

5928 (a) Funds available pursuant to paragraph (5) of subdivision (e) of Section 5907 shall be used solely for Monterey County's acquisition, as specified in subdivision (b) of Section 5920, of critical viewshed properties along the Big Sur Coast, and shall be expended in strict compliance with the policies of the 1988 Bond Act Account, which was established by resolution by the County of Monterey on March 17, 1987. The policies of the 1988 Bond Act Account shall not be modified or amended. Monterey County shall make an annual report to the Director of Finance on the disbursement of these funds. The Director of Finance shall assure that the County of Monterey expends the funds in accordance with this division.

(b) All lands acquired with these funds shall remain as natural lands in their present state in perpetuity and shall not be developed in any manner by any person or entity, public or private, except that this subdivision shall not apply to California Department of Transportation projects which are essential to maintain Highway One in its existing use as a rural, two lane, Scenic Highway.

5929. (a) Prior to recommending the acquisition of lands that are located on or near tidelands, submerged lands, swamp or overflowed lands, or other wetlands, whether or not those lands have been granted in trust to a local public agency, any state or local agency or nonprofit agency receiving funds under this

division shall submit to the State Lands Commission any proposal for the acquisition of those lands pursuant to this division. The State Lands Commission shall, within three months of submittal, review the proposed acquisition, make a determination as to the state's existing or potential interest in the lands, and report its findings to the entity making the submittal and to the Department of General Services.

(b) No wetlands or riparian habitat acquired pursuant to paragraph (7) of subdivision (c) of Section 5907 shall be used as a dredge spoil area or shall be subject to revetment which damages the quality of the habitat for which the property was acquired.

(c) No provision of this division shall be construed as authorizing the condemnation of state lands.

CHAPTER 4. FISCAL PROVISIONS

5930. (a) (1) Bonds in the total amount of seven hundred seventy-six million dollars (\$776,000,000), or so much thereof as is necessary, may be issued and sold to be used for carrying out the purposes expressed in this division and in Chapter 7.5 (commencing with Section 2700) of Division 3 of the Fish and Game Code and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. A sum, not to exceed seven hundred twenty-six million dollars (\$726,000,000) of the bond proceeds, shall be deposited in the California Wildlife, Coastal, and Park Land Conservation Fund of 1988 for the purposes of this division, and a sum, not to exceed fifty million dollars (\$50,000,000) of bond proceeds, shall be deposited in the Wildlife and Natural Areas Conservation Fund for the purposes of the Wildlife and Natural Areas Conservation Program (Chapter 7.5 (commencing with Section 2700) of Division 3 of the Fish and Game Code). The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest as they become due and payable.

5931. The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all provisions of that law shall apply to the bonds and are hereby incorporated in this division as though set forth in full in this division.

5932. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this division, the California Wildlife, Coastal, and Park Land Conservation Program of 1988 Finance Committee is hereby created. For purposes of this division, the California Wildlife, Coastal, and Park Land Conservation Program of 1988 Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee shall consist of the Controller, the Director of Finance, and the Treasurer, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of this division and Chapter 7.5 (commencing with Section 2700) of Division 3 of the Fish and Game Code and the State General Obligation Bond Law, the Wildlife Conservation Board, the Department of Parks and Recreation, the Department of Water Resources, the Department of Forestry, the

Department of Fish and Game, the Santa Monica Mountains Conservancy, or the State Coastal Conservancy, depending on which agency has jurisdiction, is hereby designated as "the board."

5933. *The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this division in order to carry out the actions specified in Section 5907 of this code and Section 2720 of the Fish and Game Code, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.*

5934. *There shall be collected annually in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which is necessary to collect that additional sum.*

5935. *Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund, for the purposes of this division, an amount that will equal the total of the following*

(1) *The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this division, as the principal and interest become due and payable.*

(2) *The sum which is necessary to carry out the provisions of Section 5936, appropriated without regard to fiscal years*

5936. *For the purposes of carrying out this division and Chapter 7.5 (commencing with Section 2700) of Division 3 of the Fish and Game Code, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out those provisions. Any amounts withdrawn shall be deposited in the California Wildlife, Coastal, and Park Land Conservation Fund of 1988 or the Wildlife and Natural Areas Conservation Fund, as appropriate. Any money made available under this section shall be returned to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from money received from the sale of bonds which would otherwise be deposited in that fund.*

5937. *All money derived from premium and accrued interest on bonds sold shall be reserved and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.*

5938. *The people of California hereby find and declare that, inasmuch as the proceeds from the sale of bonds authorized by this division are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitation imposed by that article.*

SEC. 3. Chapter 7.5 (commencing with Section 2700) is added to Division 3 of the Fish and Game Code, to read:

CHAPTER 7.5. WILDLIFE AND NATURAL AREAS
CONSERVATION PROGRAM

Article 1. General Provisions

2700. *This chapter shall be known and may be cited as the Wildlife and Natural Areas Conservation Act.*

2701. (a) *The fundamental requirement for healthy, vigorous populations of fish and wildlife is habitat. Without adequate habitat, efforts to conserve and manage fish and wildlife resources will have limited success. Further, California contains the greatest diversity of wildlife and plant species of virtually any state in the nation. This rich natural heritage enables Californians to enjoy a great variety of recreational, aesthetic, ecological, and other uses and benefits of these biological resources. The public interest is served only by ensuring that these resources are preserved, protected, and propagated for this and future generations.*

(b) *Many of California's wildlife, fish, and plant species and biological communities are found nowhere else on earth. Without adequate protection and management, rare native species and communities could easily become extinct. In such an event, the benefits they provide to the people of California, whether presently realized or which remain to be discovered, will be lost forever, and California will be significantly poorer as a result.*

(c) *The people of California have vested in the Department of Fish and Game the principal responsibility for protecting, conserving, and perpetuating native fish, plants, and wildlife, including endangered species and game animals, for their aesthetic, intrinsic, ecological, educational, and economic values. To help accomplish this goal, the people of California have further established a significant natural areas program and a natural diversity data base in the Department of Fish and Game, which is charged with maintaining and perpetuating California's most significant natural areas for present and future generations. To ensure the perpetuation of areas containing uncommon elements of natural diversity and to ensure the continued abundance of habitat for more common species, especially examples of those which are presently threatened with destruction, the purchase of land is often necessary.*

(d) *Accordingly, the purpose of this chapter is to provide the Wildlife Conservation Board and the Department of Fish and Game the financial means to correct the most severe deficiencies in wildlife habitat and in the statewide system of areas designated for the preservation of California's natural diversity through a program of acquisition, enhancement, restoration, and protection of areas that are most in need of proper conservation.*

2702. *As used in this chapter, the following terms have the following meanings:*

(a) *"Acquisition" means the acquiring of any interest in real property.*

(b) *"Fund" means the Wildlife and Natural Areas Conservation Fund created pursuant to Section 2720.*

(c) *"Highly rare" means a worldwide rarity in which any species or natural community occurs in 50 or fewer locations, irrespective of whether the species or any species in the community is listed as threatened or endangered or was previously listed as rare.*

(d) *"Natural community" means a distinct, identifiable, and recurring association of plants and animals that are ecologically interrelated.*

(e) *"Species" means the fundamental biological unit of plant and animal classification that comprises a subdivision of a genus, but for the purposes of this chapter, "species" also includes the unit of a subspecies.*

Article 2. Habitat Conservation Program

2720. *Moneys available for the purposes of this chapter pursuant to Chapter 4 (commencing with Section 5930) of Division 5.8 of the Public Resources Code shall be deposited in the Wildlife and Natural Areas Conservation Fund, which*

is hereby created. Money deposited in the fund shall be available for appropriation by the Legislature to the Wildlife Conservation Board, for expenditure pursuant to the Wildlife Conservation Law of 1947, for the following programs:

(a) Forty-one million dollars (\$41,000,000) for the preservation of highly rare examples of the state's natural diversity through the acquisition, enhancement, restoration, or protection, or a combination thereof, of lands supporting California's unique, fragile, threatened, or endangered plants, animals, and natural communities.

(b) Six million dollars (\$6,000,000) for the acquisition, enhancement, restoration, or protection, or a combination thereof, of critical habitat areas for fish, game mammals, and game birds, including, but not limited to, the following types:

- (1) Winter deer ranges.
- (2) Wild trout or steelhead nursery and spawning areas.
- (3) Significant routes of migration for wildlife.
- (4) Breeding, nesting, and forage areas for sage grouse and other upland game birds.

For purposes of this subdivision, "enhancement" includes the construction or development of facilities for furnishing public access to lands or waters open to the public for fishing, hunting, or shooting.

(c) Three million dollars (\$3,000,000) for the acquisition, enhancement, restoration, or protection, or any combination thereof, of lands providing habitat for threatened, endangered, or fully protected species, such as the bald eagle, San Joaquin kit fox, desert tortoise, bighorn sheep, peregrine falcon, and California condor.

2721. Funds available pursuant to subdivision (a) of Section 2720 shall be expended to acquire, enhance, restore, or protect lands in California on which any of the following naturally exists:

(a) A unique species or natural community, whose existence at a single location in California is the only known occurrence in the world of that particular species or natural community.

(b) A species that occurs in only 20 or fewer locations in the world, at least one of which is in California

(c) A natural community that occurs in only 50 or fewer locations in the world, at least one of which is in California.

(d) An assemblage of three or more highly rare species or natural communities, or any combination thereof, of which at least one of the species or natural communities is found only in 20 or fewer locations in the world.

2722. (a) Whenever the application of the criteria specified in Section 2721 results in the identification of two or more parcels of land that are essentially indistinguishable as to their quality, preference shall be given to the parcel on which exists the species that is more threatened or more endangered.

(b) Whenever the application of the criteria specified in Section 2721 results in the identification of two or more parcels of land that are essentially indistinguishable as to their quality and the degree of threat to, or endangerment of, the species existing on them, preference shall be given to the parcel on which exists the best example of the species. As used in this subdivision, "best example" means the parcel of land and the wildlife inhabiting it which, in balancing all the factors present, represents, as determined by the board, the stronger combination of all of the following: the better condition, higher quality, easier defensibility, greater likelihood of long-term viability, and the lesser costs to be incurred by the department in operating and maintaining the parcel.

2723 (a) *Of the total amount available pursuant to subdivision (a) of Section 2720, not more than five million dollars (\$5,000,000) may be encumbered for any single acquisition project. In enacting this limitation, the people of California recognize that there are a number of important projects meeting the criteria of this chapter but whose acquisition cost would most likely exceed this limitation. Therefore, in these instances any acquisition cost in excess of this limitation may be met by a donation by the owner, donations of funds from private sources, or other funds from state or nonstate sources.*

(b) *The qualification for or allocation of a grant or grants to a local agency under Section 2720 shall not preclude eligibility for an additional allocation of grant funds to the same local agency pursuant to Section 2720 of this code or Section 5907 of the Public Resources Code.*

2724 (a) *In choosing among two or more parcels of land to be acquired, enhanced, restored, or protected with funds available pursuant to subdivision (b) or (c) of Section 2720, preference shall be given to acquiring, enhancing, restoring, or protecting the parcel that will result in the least cost to the department for operating and maintaining the land.*

(b) *Funds available pursuant to subdivisions (b) and (c) of Section 2720 may be encumbered only for lands which constitute habitat that is subject to destruction, drastic modification, or significant curtailment of habitat values.*

2725 *No funds available pursuant to this chapter shall be encumbered for any lands that, due to their degraded character, will not sustain plants or wildlife or will not afford protection to a natural community on a long-term basis.*

2726 *With respect to any lands which may be acquired, enhanced, restored, or protected with funds under this chapter and which could also be eligible for funds under Chapter 7 (commencing with Section 2600), funds under this chapter shall not be encumbered for those lands until it is determined by the Wildlife Conservation Board that funds are not likely to be available for those lands under that Chapter 7.*

2727. *No funds available for appropriation under this chapter may be encumbered for any purpose described in Section 1353 of the Fish and Game Code.*

2728. *An annual amount, not to exceed three hundred fifty thousand dollars (\$350,000) may be appropriated from the fund in the 1988-89 through 1998-99 fiscal years, in an amount to be determined in each annual appropriation, to the Wildlife Conservation Board for expenditure for costs incurred by the board and the department in administering this chapter, including, but not limited to, preacquisition studies, planning, appraisals, surveys, and closing costs. The Wildlife Conservation Board and the department may augment, as needed, any amount thus appropriated with any funds appropriated to it from any other source.*

2729 (a) *For the purpose of administering this chapter, the Wildlife Conservation Board and the Department of Fish and Game shall augment its existing staff, whenever possible, by contracting for those services necessary for the administration of this chapter. Any contract shall, however, be entered into only pursuant to Sections 19130 to 19132, inclusive, of the Government Code and shall be only for the minimum period necessary for completion of the particular project or projects for which the contract was entered into.*

(b) *Due to the limited duration of the program authorized by this chapter, in the event some services cannot be provided by contract, any personnel directly hired by the Wildlife Conservation Board for the administration of this chapter shall be hired, to the extent permitted by Article 2 (commencing with Section*

19080) of Chapter 6 of Part 2 of Division 5 of Title 2 of the Government Code, as limited-term appointments.

SEC. 4. (a) *If the people of California approve a bond act, other than this act, at either the Direct Primary Election on June 7, 1988, or the General Election on November 8, 1988, which includes at least one hundred sixty-five million dollars (\$165,000,000) for the purposes specified in subdivision (a) of Section 5907 of the Public Resources Code, as proposed by this act, subdivision (a) of Section 5907 of the Public Resources Code, as proposed by this act, shall not become operative. That subdivision shall otherwise become operative on November 9, 1988. The Legislature may appropriate funds pursuant to subdivision (a) of Section 5907 in the Budget Act for the 1988-89 fiscal year if those provisions become operative.*

(b) *If the people of California approve a bond act, other than this act, at either the Direct Primary Election on June 7, 1988, or the General Election on November 8, 1988, which includes at least fifty-five million dollars (\$55,000,000) for the purposes specified in paragraph (2) of subdivision (b) of Section 5907 of the Public Resources Code, as proposed by this act, paragraph (2) of subdivision (b) of Section 5907 of the Public Resources Code, as proposed by this act, shall not become operative. That paragraph shall otherwise become operative on November 9, 1988. The Legislature may appropriate funds pursuant to paragraph (2) of subdivision (b) of Section 5907 in the Budget Act for the 1988-89 fiscal year if those provisions become operative.*

(c) *If the people of California approve a bond act, other than this act, at either the Direct Primary Election on June 7, 1988, or the General Election on November 8, 1988, which includes at least thirty million dollars (\$30,000,000) for the purposes specified in paragraph (1) of subdivision (d) of Section 5907 of the Public Resources Code, as proposed by this act, paragraph (1) of subdivision (d) of Section 5907 of the Public Resources Code, as proposed by this act, shall not become operative. That paragraph shall otherwise become operative on November 9, 1988. The Legislature may appropriate funds pursuant to paragraph (1) of subdivision (d) of Section 5907 in the Budget Act for the 1988-89 fiscal year if those provisions become operative.*

(d) *If the people of California approve a bond act, other than this act, at either the Direct Primary Election on June 7, 1988, or the General Election on November 8, 1988, which includes at least thirty million dollars (\$30,000,000) for the purposes specified in paragraph (4) of subdivision (e) of Section 5907 of the Public Resources Code, as proposed by this act, paragraph (4) of subdivision (e) of Section 5907 of the Public Resources Code, as proposed by this act, shall not become operative. That paragraph shall otherwise become operative on November 9, 1988. The Legislature may appropriate funds pursuant to paragraph (4) of subdivision (e) of Section 5907 in the Budget Act for the 1988-89 fiscal year if those provisions become operative.*

(e) *If the people of California approve a bond act, other than this act, at either the Direct Primary Election on June 7, 1988, or the General Election on November 8, 1988, which includes at least fifty million dollars (\$50,000,000) for the purposes specified in Chapter 7.5 (commencing with Section 2700) of Division 3 of the Fish and Game Code, as proposed by this act, Chapter 7.5 (commencing with Section 2700) of Division 3 of the Fish and Game Code, as proposed by this act, shall not become operative. That chapter shall otherwise become operative on November 9, 1988. The Legislature may appropriate funds pursuant to Chapter 7.5 (commencing with Section 2700) of Division 3 of the Fish and Game Code in the Budget Act for the 1988-89 fiscal year if those provisions become operative.*

SEC. 5. If any provision of this act or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the initiative which can be given effect without the invalid provision or application, and to this end the provisions of this initiative are severable.

SEC 6. The Legislature may amend this act, by statute passed in each house of the Legislature by rollcall vote entered in the journal, two-thirds of the membership concurring, if the statute is consistent with the purposes of this act. However, no allocation of funds may be reallocated except in accordance with Sections 5919 and 5922 of the Public Resources Code. No changes shall be made in the way in which funds are appropriated pursuant to Sections 5907 and 5921 of the Public Resources Code.

*Number
on ballot*

73. Campaign Funding. Contribution Limits. Prohibition of Public Funding.

[Submitted by the initiative and approved by electors June 7, 1988]

PROPOSED LAW

SECTION 1. Chapter 5 (commencing with Section 85100) is added to Title 9 of the Government Code, to read:

CHAPTER 5. LIMITATIONS ON CONTRIBUTIONS

Article 1. Applicability and Definitions

85100. This chapter shall be known and cited as the "Campaign Contribution Limits Without Taxpayer Financing Amendments to the Political Reform Act."

85101. (a) Nothing in this chapter shall affect the validity of a campaign contribution limitation in effect on the operative date of this chapter which was enacted by a local governmental agency and imposes lower contribution limitations.

(b) Nothing in this chapter shall prohibit a local governmental agency from imposing lower campaign contribution limitations for candidates for elective office in its jurisdiction.

85102. The following terms as used in this chapter have the following meanings:

(a) "Fiscal year" means July 1 through June 30.

(b) "Person" means an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, association, committee, and labor organization.

(c) "Political committee" means a committee of persons who receive contributions from two or more persons and acting in concert makes contributions to candidates.

(d) "Broad based political committee" means a committee of persons which has been in existence for more than six months, receives contributions from one hundred or more persons, and acting in concert makes contributions to five or more candidates.

(e) "Public moneys" has the same meaning as defined in Section 426 of the Penal Code.

85103. The provisions of Section 81012 shall apply to the amendment of this chapter.

85104. *The provisions of this chapter shall become operative on January 1, 1989.*

Article 2. Candidacy

85200. *Prior to the solicitation or receipt of any contribution or loan, an individual who intends to be a candidate for an elective office shall file with the commission a statement signed under penalty of perjury of intention to be a candidate for a specific office.*

85201 (a) *Upon the filing of the statement of intention pursuant to Section 85200, the individual shall establish one campaign contribution account at an office of a financial institution located in the state.*

(b) *Upon the establishment of an account, the name of the financial institution, the specific location, and the account number shall be filed with the commission within 24 hours.*

(c) *All contributions or loans made to the candidate, to a person on behalf of the candidate, or to the candidate's controlled committee shall be deposited in the account.*

(d) *Any personal funds which will be utilized to promote the election of the candidate shall be deposited in the account prior to expenditure.*

(e) *All campaign expenditures shall be made from the account.*

85202. (a) *A candidate may only accept contributions from persons, political committees, broad based political committees, and political parties and only in the amounts specified in Article 3 (commencing with Section 85300). A candidate shall not accept contributions from any other source.*

(b) *All contributions deposited into the campaign account shall be deemed to be held in trust for expenses associated with the election of the candidate to the specific office for which the candidate has stated, pursuant to Section 85200, that he or she intends to seek or expenses associated with holding that office.*

Article 3. Contribution Limitations

85300. *No public officer shall expend and no candidate shall accept any public moneys for the purpose of seeking elective office.*

85301. (a) *No person shall make, and no candidate for elective office, or campaign treasurer, shall solicit or accept any contribution or loan which would cause the total amount contributed or loaned by that person to that candidate, including contributions or loans to all committees controlled by the candidate, to exceed one thousand dollars (\$1,000) in any fiscal year.*

(b) *The provisions of this section shall not apply to a candidate's contribution of his or her personal funds to his or her own campaign contribution account.*

85302. *No person shall make and no political committee, broad based political committee, or political party shall solicit or accept, any contribution or loan from a person which would cause the total amount contributed or loaned by that person to the same political committee, broad based political committee, or political party to exceed two thousand five hundred dollars (\$2,500) in any fiscal year to make contributions to candidates for elective office.*

85303. (a) *No political committee shall make, and no candidate or campaign treasurer shall solicit or accept, any contribution or loan which would cause the total amount contributed or loaned by that committee to that candidate for elective office or any committee controlled by that candidate to exceed two thousand five hundred dollars (\$2,500) in any fiscal year.*

(b) *No broad based political committee or political party shall make and no candidate or campaign treasurer shall solicit or accept, any contribution or loan*

which would cause the total amount contributed or loaned by that committee or political party to that candidate or any committee controlled by that candidate to exceed five thousand dollars (\$5,000) in any fiscal year.

(c) Nothing in this Chapter shall limit a person's ability to provide financial or other support to one or more political committees or broad based political committees provided the support is used for purposes other than making contributions directly to candidates for elective office.

85304. No candidate for elective office or committee controlled by that candidate or candidates for elective office shall transfer any contribution to any other candidate for elective office. Transfers of funds between candidates or their controlled committees are prohibited.

85305. (a) This Section shall only apply to candidates who seek elective office during a special election or a special runoff election.

(b) As used in this Section, the following terms have the following meanings.

(1) "Special election cycle" means the day on which the office becomes vacant until the day of the special election.

(2) "Special runoff election cycle" means the day after the special election until the day of the special runoff election.

(c) Notwithstanding Section 85301 or 85303 the following contribution limitations shall apply during special election cycles and special runoff election cycles.

(1) No person shall make, and no candidate for elective office, or campaign treasurer, shall solicit or accept any contribution or loan which would cause the total amount contributed or loaned by that person to that candidate, including contributions or loans to all committees controlled by the candidate, to exceed one thousand dollars (\$1,000) during any special election cycle or special runoff election cycle.

(2) No political committee shall make, and no candidate or campaign treasurer shall solicit or accept, any contribution or loan which would cause the total amount contributed or loaned by that committee to that candidate for elective office or any committee controlled by that candidate to exceed two thousand five hundred dollars (\$2,500) during any special election cycle or special runoff election cycle.

(3) No broad based political committee or political party shall make and no candidate or campaign treasurer shall solicit or accept, any contribution or loan which would cause the total amount contributed or loaned by that committee or political party to that candidate or any committee controlled by that candidate to exceed five thousand dollars (\$5,000) during any special election cycle or special runoff election cycle.

85306. Any person who possesses campaign funds on the effective date of this chapter may expend these funds for any lawful purpose other than to support or oppose a candidacy for elective office.

85307. The provisions of this article regarding loans shall apply to extensions of credit, but shall not apply to loans made to the candidate by a commercial lending institution in the lender's regular course of business on terms available to members of the general public for which the candidate is personally liable.

Article 4. Gifts and Honoraria

85400. No elected officeholder shall accept any gift or honorarium for any speech, article, or published work on a subject relating to the governmental process from any single source which is in excess of one thousand dollars (\$1,000),

in any calendar year, except reimbursement for actual travel expenses and reasonable subsistence in connection therewith.

SEC. 2. Section 82041.5 of the Government Code is amended to read:

82041.5. "Mass mailing" means two hundred or more ~~identical or nearly identical~~ *substantially similar* pieces of mail, but does not include a form letter or other mail which is sent in response to ~~a~~ *an unsolicited* request, letter or other inquiry.

SEC. 3. Section 89001 of the Government Code is amended to read:

89001. No newsletter or other mass mailing shall be sent at public expense ~~by or on behalf of any elected officer to any person residing within the jurisdiction from which the elected officer was elected, or to which he or she seeks election, after the elected officer has filed the nomination documents, as defined in Section 6189 of the Elections Code, for any local, state, or federal office.~~

SEC 4. If any provision of this act, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of this act to the extent it can be given effect, or the application of those provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby, and to this end the provisions of this act are severable.

BOND ACTS SUBMITTED BY LEGISLATURE

*Number
on ballot*

75. ~~School Facilities Bond Act of 1988.~~ (Statutes 1988, Chapter 25, AB 48)

[Approved by electors June 7, 1988.]

PROPOSED LAW

SECTION 1. Chapter 21.8 (commencing with Section 17697) is added to Part 10 of the Education Code, to read:

CHAPTER 21.8 SCHOOL FACILITIES BOND ACT OF 1988

17697. This chapter may be cited as the School Facilities Bond Act of 1988.

17697.10. The State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this chapter, and the provisions of that law are included in this chapter as though set out in full in this chapter. All references in this chapter to "herein" shall be deemed to refer both to this chapter and that law.

17697.15. As used in this chapter, and for the purposes of this chapter as used in the State General Obligation Bond Law, the following words shall have the following meanings:

(a) "Committee" means the State School Building Finance Committee created by Section 15909.

(b) "Board" means the State Allocation Board

(c) "Fund" means the State School Building Lease-Purchase Fund.

17697.20. For the purpose of creating a fund to provide aid to school districts of the state in accordance with the provisions of the Leroy F. Greene State School Building Lease-Purchase Law of 1976 (Chapter 22 (commencing with Section 17700)), the purposes authorized under Section 17697.75, and of all acts amendatory thereof and supplementary thereto, and to provide funds to repay any

money advanced or loaned to the State School Building Lease-Purchase Fund under any act of the Legislature, together with interest provided for in that act, and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code, the committee shall be and is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of eight hundred million dollars (\$800,000,000), exclusive of refunding bonds issued pursuant to Section 17697.85, in the manner provided herein, but not in excess thereof.

17697.25. All bonds herein authorized, which shall have been duly sold and delivered as herein provided, shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereof.

There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum, in addition to the ordinary revenues of the state, as shall be required to pay the principal and interest on the bonds as herein provided, and all officers required by law to perform any duty in regard to the collection of state revenues shall collect that additional sum.

On the several dates of maturity of the principal and interest in each fiscal year, there shall be transferred to the General Fund in the State Treasury, all of the money in the fund exclusive of funds transferred pursuant to subdivision (f) of Section 6217 of the Public Resources Code, not in excess of the principal of and interest on the bonds then due and payable, except as herein provided for the prior redemption of the bonds, and, in the event the money so returned on the dates of maturity is less than the principal and interest then due and payable, then the balance remaining unpaid shall be returned to the General Fund in the State Treasury out of the fund as soon thereafter as it shall become available.

17697.30. All money deposited in the fund under Section 17732 and pursuant to Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code shall be available only for transfer to the General Fund, as provided in Section 17697.25. When transferred to the General Fund, the money shall be applied as a reimbursement of the General Fund on account of principal and interest due and payable or paid from the General Fund on the earliest issue of school building bonds for which the General Fund has not been fully reimbursed by the transfer of funds.

17697.35. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter, an amount that will equal the following:

(a) The sum annually as will be necessary to pay the principal of and the interest on the bonds issued and sold pursuant to the provisions of this chapter, as the principal and interest become due and payable.

(b) The sum as is necessary to carry out Section 17697.40, which sum is appropriated without regard to fiscal years.

17697.40. For the purposes of carrying out the provisions of this chapter, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund to be allocated by the board in accordance with this chapter. Any moneys made available under this section to the board shall be returned by the board to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from money received from the sale of bonds sold for the purpose of carrying out this chapter.

17697.45. Upon request of the board from time to time, supported by a statement of the apportionments made and to be made under Chapter 22 (commencing with Section 17700), the committee shall determine whether or not it is necessary or desirable to issue any bonds authorized under this chapter in order to fund the apportionments, and, if so, the amount of bonds to be issued and sold. The Treasurer shall sell the bonds so determined at such different times as necessary to service expenditures required by the apportionments.

17697.50. In computing the net interest cost under Section 16754 of the Government Code, interest shall be computed from the date of the bonds or the last preceding interest payment date, whichever is latest, to the respective maturity dates of the bonds then offered for sale at the coupon rate or rates specified in the bid, the computation to be made on a 360-day-year basis.

17697.55. The committee may authorize the Treasurer to sell all or any part of the bonds herein authorized at such time or times as may be fixed by the Treasurer.

17697.60. All proceeds from the sale of the bonds herein authorized deposited in the fund, as provided in Section 16757 of the Government Code, except those derived from premium and accrued interest, shall be available for the purpose herein provided, but shall not be available for transfer to the General Fund pursuant to Section 17697.25 to pay principal and interest on bonds.

17697.65. With respect to the proceeds of bonds authorized by this chapter, all provisions of Chapter 22 (commencing with Section 17700) shall apply.

17697.70. Out of the first money realized from the sale of bonds under this chapter, there shall be repaid any moneys advanced or loaned to the State School Building Lease-Purchase Fund under any act of the Legislature, together with interest provided for in that act.

17697.75. (a) Of the proceeds from the sale of bonds pursuant to this chapter:

(1) Not more than one hundred twenty million dollars (\$120,000,000) may be used for the reconstruction or modernization of facilities within the meaning of Chapter 22 (commencing with Section 17700).

(2) Not more than forty million dollars (\$40,000,000) may be used for the purchase and installation of air-conditioning equipment and insulation materials pursuant to Section 42250.1.

(3) Not more than fifty million dollars (\$50,000,000) may be used for the acquisition of portable classrooms for use in accordance with Chapter 25 (commencing with Section 17785).

(b) Notwithstanding subdivision (a), in the event the board determines at any time that the maximum amount made available pursuant to any of the paragraphs in that subdivision exceeds the amount necessary to fund the qualified recipients of the apportionment authorized under that paragraph, the board may expend any portion of that excess for the construction of new school facilities pursuant to Chapter 22 (commencing with Section 17700) or for any one or more of the purposes described in subdivision (a).

17697.80. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

17697.85. Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 2 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of

these bonds shall include the approval of any bonds issued to refund any bonds originally issued or previously issued refunding bonds.

17697 90. The board may request the Pooled Money Investment Board to make a loan from the pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out the provisions of this chapter. The amount of the request shall not exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. The board shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

*Number
on ballot*

76. Veterans Bond Act of 1988. (Statutes 1988, Chapter 26, AB 69)

[Approved by electors June 7, 1988.]

PROPOSED LAW

SEC. 2. Article 5t (commencing with Section 998.085) is added to Chapter 6 of Division 4 of the Military and Veterans Code, to read:

Article 5t. Veterans Bond Act of 1988

998.085. This article may be cited as the Veterans Bond Act of 1988

998.086. The State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), except as otherwise provided herein, is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this article, and the provisions of that law are included in this article as though set out in full in this article. All references in this article to "herein" refer both to this article and that law.

998.087. As used herein, the following words shall have the following meanings:

(a) "Bond" means veterans bond, a state general obligation bond issued pursuant to this article adopting the provisions of the State General Obligation Bond Law.

(b) "Committee" means the Veterans' Finance Committee of 1943.

(c) "Board" means the Department of Veterans Affairs.

(d) "Fund" means the Veterans' Farm and Home Building Fund of 1943.

(e) "Bond act" means this article authorizing the issuance of state general obligation bonds and adopting the State General Obligation Bond Law by reference.

998.088. For the purpose of creating a fund to provide farm and home aid for veterans in accordance with the Veterans' Farm and Home Purchase Act of 1974 (Article 3.1 (commencing with Section 987.50)), and of all acts amendatory thereof and supplemental thereto, the committee may create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of not more than five hundred ten million dollars (\$510,000,000) in the manner provided herein

998.089. All bonds authorized by this article, when duly sold and delivered as provided herein, constitute valid and legally binding general obligations of the

State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereof.

There shall be collected annually in the same manner and at the same time as other state revenue is collected a sum of money, in addition to the ordinary revenues of the state, sufficient to pay the principal and interest on these bonds as provided herein, and all officers required by law to perform any duty in regard to the collection of state revenues shall collect this additional sum.

On the dates on which funds are remitted pursuant to Section 16676 of the Government Code for the payment of the then maturing principal and interest of the bonds in each fiscal year, there shall be returned into the General Fund all of the money in the Veterans' Farm and Home Building Fund of 1943, not in excess of the principal of and interest on any bonds then due and payable, except as herein provided for the prior redemption of the bonds, and, if the money so returned on the remittance dates is less than the principal and interest then due and payable, the balance remaining unpaid shall be returned into the General Fund out of the Veterans' Farm and Home Building Fund of 1943 as soon as it shall become available, together with interest thereon from the dates of maturity until so returned at the same rate of interest as borne by the bonds, compounded semiannually

998.090. There is hereby appropriated from the General Fund, for purposes of this article, a sum of money that will equal both of the following:

(a) That sum annually necessary to pay the principal of, and the interest on, the bonds issued and sold as provided herein, as that principal and interest become due and payable.

(b) That sum necessary to carry out Section 998.091, appropriated without regard to fiscal years.

998.091. For purposes of this article, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of a sum of money not to exceed the amount of the unsold bonds which have been authorized by the committee to be sold pursuant to this article. Any sums withdrawn shall be deposited in the Veterans' Farm and Home Building Fund of 1943. All money made available under this article to the board shall be returned by the board to the General Fund from receipts from the sale of bonds sold under this article, together with interest at the rate of interest fixed in the bonds so sold.

998.092. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out this chapter. The amount of the request shall not exceed the amount of unsold bonds which the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter. The board shall execute whatever documents are required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

998.093. Upon request of the board, supported by a statement of its plans and projects approved by the Governor, the committee shall determine whether to issue any bonds authorized under this article in order to carry out the board's plans and projects, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out these plans and projects progressively, and it is not necessary that all the bonds be issued or sold at any one time.

998.094. So long as any bonds authorized under this article are outstanding, the Director of Veterans Affairs shall, at the close of each fiscal year, require a

survey of the financial condition of the Division of Farm and Home Purchases, together with a projection of the division's operations, to be made by an independent public accountant of recognized standing. The results of each survey and projection shall be reported in writing by the public accountant to the Director of Veterans Affairs, the California Veterans Board, and the committee.

The Division of Farm and Home Purchases shall reimburse the public accountant for these services out of any money which the division may have available on deposit with the Treasurer.

998.095. *The committee may authorize the Treasurer to sell all or any part of the bonds authorized by this article at the time or times fixed by the Treasurer.*

Whenever the committee deems it necessary for an effective sale of the bonds, the committee may authorize the Treasurer to sell any issue of bonds at less than their par value, notwithstanding Section 16754 of the Government Code. However, the discount on the bonds shall not exceed 3 percent of the par value thereof.

998.096. *Out of the first money realized from the sale of bonds as provided herein, there shall be redeposited in the General Obligation Bond Expense Revolving Fund, established by Section 16724.5 of the Government Code, the amount of all expenditures made for the purposes specified in that section, and this money may be used for the same purpose and repaid in the same manner whenever additional bond sales are made.*

998.097. *Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 2 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of bonds shall include the approval of the issuance of any bonds issued to refund any bonds originally issued or any previously issued refunding bonds.*

*Number
on ballot*

77. **California Earthquake Safety and Housing Rehabilitation Bond Act of 1988.** (Statutes 1988, Chapter 27, AB 2032)

[Approved by electors June 7, 1988.]

PROPOSED LAW

SEC. 2. Chapter 12.45 (commencing with Section 8878.15) is added to Division 1 of Title 2 of the Government Code, to read:

CHAPTER 12.45. CALIFORNIA EARTHQUAKE SAFETY AND HOUSING REHABILITATION BOND ACT OF 1988

Article 1. General Provisions

8878.15. *This chapter shall be known and may be cited as the California Earthquake Safety and Housing Rehabilitation Bond Act of 1988.*

8878.16. *As used in this chapter, and for the purposes of this chapter as used in the State General Obligation Bond Law, the following words have the following meanings:*

(a) *"Committee" means the California Earthquake Safety and Housing Rehabilitation Finance Committee.*

(b) *"Department" means Department of Housing and Community Development.*

(c) *"Fund" means the Housing Rehabilitation Loan Fund established by Section 50661 of the Health and Safety Code.*

(d) *"Local agency" means any city, city and county, or county.*

*Article 2. California Earthquake Safety and
Housing Rehabilitation Program*

8878.20. (a) *Of the proceeds of bonds issued and sold pursuant to this chapter, eighty million dollars (\$80,000,000) shall be deposited in a special account in the Housing Rehabilitation Loan Fund and shall be used by the department, in accordance with the criteria and priorities now or hereafter established by statute, to make deferred payment loans to increase the ability of unreinforced masonry multifamily residential structures to withstand earthquakes. To be eligible for a loan funded pursuant to this section, not less than 70 percent of the tenants shall be households specified in Section 50079.5 of the Health and Safety Code.*

(b) *Prior to making commitments under this program for loans in a particular local agency's jurisdiction, the department shall determine that the local agency has completed an inventory of the unreinforced masonry structures within its jurisdiction and has adopted a mitigation ordinance pursuant to Section 8875.2 or Section 19163 of the Health and Safety Code. The local agency shall establish criteria, terms, and conditions to identify eligible rental housing developments. Only structures identified as potentially hazardous buildings by a local agency, in accordance with criteria of Section 8875, shall be eligible for the loans.*

(c) *All seismic safety rehabilitation improvements made with loans funded pursuant to this section shall be in accordance with a plan developed for the structure by a civil engineer or architect.*

(d) *Loans made pursuant to this section shall constitute liens in favor of the department. Payments of the principal of, and interest on, the loans shall be deposited in the Housing Rehabilitation Loan Fund.*

8878.21. *Of the proceeds of bonds issued and sold pursuant to this chapter, seventy million dollars (\$70,000,000) shall be deposited in a special account in the Housing Rehabilitation Loan Fund and shall be used by the department, in accordance with the criteria and priorities now or hereafter established by statute, for the housing rehabilitation loan programs authorized by Chapter 6.5 (commencing with Section 50660) of Part 2 of Division 31 of the Health and Safety Code, including the Special User Housing Rehabilitation Program authorized by Section 50670 of the Health and Safety Code, but not including the special program authorized by Section 50662.5. However, none of the moneys allocated pursuant to this section shall be used to make deferred payment loans to acquire residential hotels.*

8878.22. *Notwithstanding the allocation of bond proceeds specified in Sections 8878.20 and 8878.21, the director of the department every two years, commencing June 30, 1990, may reallocate the bond proceeds pursuant to this section between the accounts established in the Housing Rehabilitation Loan Fund by Sections 8878.20 and 8878.21. The director of the department may reallocate these moneys as necessary to satisfy program needs if demand for loans from one of the accounts substantially exceeds the level of funding therein and there is an unencumbered balance in the other account which exceeds the amount of loans for which there are then pending applications. The amount of any transfer from an account in the Housing Rehabilitation Loan Fund pursuant to this section may not include moneys for which loan applications from potentially eligible applicants are then pending.*

Article 3. Fiscal Provisions

8878.25. Bonds in the total amount of one hundred fifty million dollars (\$150,000,000), exclusive of refunding bonds issued pursuant to Section 8878.34, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. All bonds herein authorized which have been duly sold and delivered as provided herein shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereof.

8878.26. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

8878.27 (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the California Earthquake Safety and Housing Rehabilitation Finance Committee is hereby created. For purposes of this chapter, the California Earthquake Safety and Housing Rehabilitation Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Treasurer, the Controller, the Director of Finance, or their designated representatives, a person appointed by the Senate Rules Committee, a person appointed by the Speaker of the Assembly, and the Executive Director of the Seismic Safety Commission. The Treasurer shall serve as the chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the Department of Housing and Community Development is designated the "board."

(c) The board may adopt rules and regulations establishing requirements for local administration of the financing program to the extent necessary to protect the validity of, and tax exemption for, interest on the bonds.

8878.28. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in Sections 8878.20 and 8878.21, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

8878.29. There shall be collected annually in the same manner and at the same time as other state revenue is collected, a sum of money in addition to the ordinary revenues of the state, sufficient to pay the principal of, and interest on, these bonds as provided herein, and all officers required by law to perform any duty in regard to the collection of state revenues shall collect that additional sum.

8878.30. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out the provisions of Section 8878.31, appropriated without regard to fiscal years

8878.31. For the purposes of carrying out this chapter, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund to be allocated by the board in accordance with this chapter. Any money made available under this section to the board shall be returned by the board to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from money received from the sale of bonds for the purpose of carrying out this chapter.

8878.32. All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest

8878.33. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

8878.34. Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 2 of Title 2 of the Government Code Approval by the electors of the state for the issuance of these bonds shall include the approval of any bonds issued to refund any bonds originally issued or previously issued refunding bonds.

8878.35. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out the provisions of this chapter. The amount of the request shall not exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. The board shall execute such documents as are required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

MEASURES DEFEATED

INITIATIVE CONSTITUTIONAL AMENDMENTS

*Number
on ballot*

71. Appropriations Limit Adjustment.

[Submitted by the initiative and rejected by electors June 7, 1988]

PROPOSED AMENDMENTS TO ARTICLE XIII B

SECTION 1. This amendment shall be known as the "Government Spending Limitation and Accountability Act."

SECTION 2. *The People of the State of California find and declare that:*

(1) *A strong and effective constitutional limitation on government spending is necessary to guarantee accountability to taxpayers and force the politicians to set priorities and manage our tax dollars efficiently.*

(2) *The state and local government spending limitation contained in the California Constitution is out of date and no longer provides taxpayers with an effective tool for controlling government spending.*

(3) *Since its adoption in 1979, the current limit has failed to reflect the many changes in California's economy. As a result, already-collected tax revenues cannot be used to maintain the current level of education, crime prevention, public safety, and other vital public services.*

(4) *The current limit also has failed to reflect the changing and growing needs of California taxpayers. With 100,000 new children entering our schools each year, enrollments are increasing much faster than the overall growth in population.*

(5) *Adoption of this act will not increase state or local taxes or remove any funds from existing programs, including education, law enforcement, health care and senior services.*

(6) *Current law, assuring that the spending limit may be changed only by a vote of the people, is retained; and if the voters do raise the spending limit, that change must be voted on every four years.*

(7) *As taxpayers, we should be told the manner in which government is spending our hard-earned dollars. To guarantee accountability to taxpayers, the existing Commission on State Finance shall report annually to the taxpayers, how state revenues are spent and the amount of the state appropriations subject to limitation. Such reports can be prepared at minimal cost, using existing information, and can be mailed to taxpayers along with other tax information.*

(8) *Taxes and fees on motor vehicle fuels are currently earmarked for transportation purposes and should be treated as user fees. This act properly treats them as user fees, subject to the taxpayer protections provided by Proposition 13, without adversely affecting other public services.*

(9) *Adjustments are necessary to update the existing spending limitation to reflect the real growth of California's economy and the needs of its citizens, and enable taxpayers to hold government accountable for the proper enforcement of this act.*

SECTION 3. Article XIII B, Section 8(e) of the California Constitution is amended to read:

SEC. 8(e) "Cost of living" shall mean the Consumer Price Index for ~~the United States as reported by the United States Department of Labor, State of California as reported by the Division of Labor Statistics and Research~~ or successor agency of the ~~United States Government~~ *State of California*; provided, however, that for purposes of Section 1, the change in the cost of living from the preceding year shall in no event ~~exceed~~ *be less than* the change in California per capita personal income from said preceding year;

SECTION 4. Article XIII B, Section 8(f) of the California Constitution is amended to read:

SEC. 8(f) "Population" of any entity of government, other than a school district, shall be determined by a method prescribed by the Legislature, provided that such determination shall be revised, as necessary, to reflect the periodic census conducted by the United States Department of Commerce; or successor agency of the United States Government. The population of any school district shall be such school district's average daily attendance as determined by a method

prescribed by the Legislature; *In addition, for the state, population shall include any increases in average daily attendance for the K-12 or community college system which are in excess of the percentage growth in state population. In the case of local governments other than schools, such determination shall consider increases in the number of persons employed as well as residing within the jurisdiction.*

SECTION 5. Section 12 is hereby added to Article XIII B of the California Constitution:

SECTION 12. The Commission on State Finance shall report annually to the taxpayers how state revenues received during the preceding fiscal year are spent and the amount of the state's appropriations subject to limitation under the provisions of this Article.

SECTION 6. Section 13 is hereby added to Article XIII B of the California Constitution:

SECTION 13. Changes to Section 8 adopted at the time this section is added to the Constitution shall be considered effective commencing with the 1986-87 fiscal year for purposes of calculating the appropriations limit of each entity of government for the 1988-89 fiscal year and each year thereafter.

SECTION 7. Section 14 is hereby added to Article XIII B of the California Constitution:

SECTION 14. (a) For purposes of this Article, taxes and fees imposed on motor vehicles and motor vehicle fuels to the extent they are appropriated for the purposes specified in Article XIX shall be deemed user fees.

(b) Commencing with the 1988-89 fiscal year, the appropriations limit for each fiscal year shall be reduced by an amount equal to the amount of revenues which but for subdivision (a) would be classified as proceeds of taxes.

(c) In computing the appropriations limit for the 1989-90 fiscal year and succeeding fiscal years, the appropriations limit for the immediately prior fiscal year shall be determined to be the amount of the appropriations limit prior to the reduction made in subdivision (b).

(d) For purposes of this section, "revenues which but for subdivision (a) would be classified as proceeds of taxes" includes only those revenues which would have been generated by laws in effect at the time this section becomes effective.

SECTION 8. If any section, part, clause or phrase in this Article is for any reason held invalid or unconstitutional, the remaining portions of this Article shall not be affected but shall remain in full force and effect.

*Number
on ballot*

72. Emergency Reserve. Dedication of Certain Taxes to Transportation. Appropriation Limit Change.

[Submitted by the initiative and rejected by electors June 7, 1988.]

PROPOSED AMENDMENTS TO ARTICLES XIII, XIII B AND XIX

First—Short Title. This Amendment shall be known and may be cited as the "Paul Gann Spending Limit Improvement and Enforcement Act of 1988."

PREAMBLE

Second—The People of California find and declare that:

The current constitutional limit on state and local government spending, known as the "Gann Limit," is essential in order to compel government to set priorities for spending within fiscally responsible limits and to hold government accountable to taxpayers. In addition, the Gann Limit should be improved and modernized as follows.

(a) State government should be required to maintain a permanent emergency reserve fund. To encourage funding for such a reserve, appropriations to the reserve should not be considered "appropriations subject to limitation." In addition, under urgent and unexpected circumstances, limited withdrawals from the reserve should not be subject to limitation if approved by the Governor and two-thirds of the Legislature.

(b) Local governments should be able to depend on their share of sales tax revenues, and the intent of this amendment is to secure those funds against maneuvering by the Legislature

(c) Motorists consider the taxes and fees on motor vehicle fuels to be user fees, and the Gann Limit should be clarified to recognize them as such and to earmark them for road construction and transportation purposes. This would give the current system of highways a needed long-term commitment of funds for both new construction and repairs, without increasing any taxes State programs remaining under the Gann Limit should be protected against any loss in spending authority due to this recognition of user fees.

(d) Taxpayers should be able to enforce the Gann Limit at the state and local levels. Further, it is the intent of the people that the Governor be responsible for calculation of the state spending limit.

(e) Passage of this amendment will not increase taxes.

Third—That Section 29 of Article XIII thereof be amended to read:

SEC. 29. *(a) The Legislature may authorize counties, cities and counties, and cities to enter into contracts to apportion between them the revenue derived from any sales or use tax imposed by them which is collected for them by the State state. Before any such contract becomes operative, it shall be authorized by a majority of those voting on the question in each jurisdiction at a general or direct primary election.*

(b) The Legislature shall not reduce the rate in effect on January 1, 1987, for taxes imposed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law.

Fourth—Section 5 1 shall be added to Article XIII B as follows.

SEC 5.1. *(a) There shall be maintained within the state general fund a reserve for emergencies and economic uncertainties, and each annual budget of the state shall include an appropriation in the budget bill to such reserve to the extent necessary to maintain a reserve of three percent (3%) of the total general fund budget. Any revenues appropriated to or retained in such reserve shall not be subject to Section 2 of this Article. Notwithstanding Section 5 of this Article, appropriations to such reserve shall not constitute appropriations subject to limitation and withdrawals from such reserve and expenditures of (or authorizations to expend) such withdrawals shall constitute appropriations subject to limitation*

(b) Any funds remaining on hand on June 30, 1988, in the Special Fund for Economic Uncertainties described in Chapter 135, Section 12 30 of the Budget Act of July 7, 1987, shall be transferred to the reserve established by subdivision (a), and such transfer shall not constitute appropriations subject to limitation

(c) Notwithstanding subdivision (a), withdrawals from such reserve and expenditures of such withdrawals shall not constitute appropriations subject to

limitation if they are separately designated in the budget bill or any appropriations bill as a special appropriation from the reserve for urgent and unexpected needs; provided, however, that during any fiscal year such special appropriations from the reserve for urgent and unexpected needs may not in the aggregate exceed two percent (2%) of the total general fund budget. This subdivision shall be repealed immediately upon the effective date of any amendment to Section 8 of this Article.

Fifth—Section 12 shall be added to Article XIII B as follows:

SEC. 12 (a) The Governor shall calculate and report to the Legislature on February 1 of each year the amount of state "appropriations subject to limitation" and the state "appropriations limit" for the succeeding fiscal year.

(b) Any California taxpayer shall have the right to enforce any provision of this Article by bringing an action in the superior court in accordance with the provisions of the Code of Civil Procedure.

Sixth—That Section 7 of Article XIX of the California Constitution shall be amended to read:

SEC. 7. ~~This article~~ (a) Except as provided in subdivision (b), this Article shall not affect or apply to fees or taxes imposed pursuant to the Sales and Use Tax Law or the Vehicle License Fee Law, and all amendments and additions now or hereafter made to such statutes.

(b) Revenues derived from taxes imposed by the State pursuant to the Sales and Use Tax Law on motor vehicle fuels for use in motor vehicles upon public streets and highways, over and above the costs of collection and any refunds authorized by law, shall be used for the purposes specified in Section 1 of this article, subject to the following limitations:

(1) From the revenues received in the 1988–89 fiscal year, an amount equal to one-third of the revenues received in the 1987–88 fiscal year shall be expended for those purposes.

(2) From the revenues received in the 1989–90 fiscal year, an amount equal to two-thirds of the revenues received in the 1988–89 fiscal year shall be expended for those purposes.

Seventh—Section 10 shall be added to Article XIX as follows:

SEC. 10 (a) Commencing on that July 1 following adoption of this section, for purposes of Article XIII B, revenues subject to this article shall be deemed user fees in determining the amount of appropriations subject to limitation.

(b) Notwithstanding subdivision (b) of Section 3 of Article XIII B, the appropriations limit of the state or any other entity of government for the 1988–89 fiscal year shall be decreased from what it would have been in the absence of the transfer caused by subdivision (a) of this section only by an amount equal to the revenues subject to Sections 1 and 2 of this Article received in the 1987–88 fiscal year.

(c) Any act enacted for the purpose of increasing state revenues subject to this Article, whether by increased rates or changes in methods of computation, shall be passed by not less than two-thirds of all members elected to each of the two houses of the Legislature, or shall be approved by a majority of the voters voting at a regularly scheduled statewide election.

Eighth—Severability If any provision of these amendments to Section 29 of Article XIII, or to Section 7 of Article XIX; or the addition of Section 5 1 or Section 12 to Article XIII B or Section 10 to Article XIX; or any application of such provisions to any person or circumstance shall be adjudged, declared, or held invalid, the remaining provisions and applications shall not be affected thereby, and are therefore severable.

INITIATIVE STATUTE

*Number
on ballot*

69. Acquired Immune Deficiency Syndrome—AIDS.

[Submitted by the initiative and rejected by electors June 7, 1988.]

PROPOSED LAW

SECTION 1 The purpose of this act is to:

(a) Enforce and confirm the declaration of the California Legislature set forth in Health and Safety Code Section 195 that acquired immune deficiency syndrome (AIDS) is serious and life threatening to men and women from all segments of society, that AIDS is usually lethal and that it is caused by an infectious agent with a high concentration of cases in California;

(b) Protect victims of acquired immune deficiency syndrome (AIDS), members of their families and local communities, and the public health at large, and

(c) Utilize the existing structure of the State Department of Health Services and local health officers and the statutes and regulations under which they serve to preserve the public health from acquired immune deficiency syndrome (AIDS).

SECTION 2. Acquired immune deficiency syndrome (AIDS) is an infectious, contagious and communicable disease and the condition of being a carrier of the HTLV-III virus or any other viral agent which may cause acquired immune deficiency syndrome (AIDS) is an infectious, contagious and communicable condition and both shall be placed and maintained by the director of the Department of Health Services on the list of reportable diseases and conditions mandated by Health and Safety Code Section 3123, and both shall be included within the provisions of Division 4, of such code and the rules and regulations set forth in Administrative Code Title 17, Part 1, Chapter 4, Subchapter 1, and all personnel of the Department of Health Services and all health officers shall fulfill all of the duties and obligations specified in each and all of the sections of said statutory division and administrative code subchapter in a manner consistent with the intent of this Act, as shall all other persons identified in said provisions.

SECTION 3. In the event that any section, subsection or portion thereof of this Act is deemed unconstitutional by a proper court of law, then that section, subsection or portion thereof shall be stricken from the Act and all other sections, subsections and portions thereof shall remain in force, alterable only by the people, according to process.

BOND ACT SUBMITTED BY LEGISLATURE

Number
on ballot

74. **Deddeh Transportation Bond Act.** (Statutes 1988, Chapter 24, SB 140)

[Rejected by electors June 7, 1988]

PROPOSED LAW

SEC. 17. Chapter 17 (commencing with Section 2700) is added to Division 3 of the Streets and Highways Code, to read:

CHAPTER 17. DEDDEH TRANSPORTATION BOND ACT

Article 1. General Provisions

2700. *This chapter shall be known and may be cited as the Deddeh Transportation Bond Act*

2701. *As used in this chapter, the following terms have the following meanings:*

(a) *“Committee” means the Transportation Improvement Finance Committee created pursuant to Section 2712.*

(b) *“Department” means the Department of Transportation.*

(c) *“Fund” means the Transportation Improvement Bond Fund created pursuant to Section 2705.*

Article 2 Transportation Improvement Program

2705. *The proceeds of notes and bonds issued and sold pursuant to this chapter shall be deposited in the Transportation Improvement Bond Fund, which is hereby created.*

2706. *The money in the fund, upon appropriation by the Legislature, shall be available for expenditure without regard to fiscal years for state highway and exclusive public mass transit guideway capital improvements in accordance with Chapter 2 (commencing with Section 14520) of Part 5.3 of Division 3 of Title 2 of the Government Code and for local community transportation capital improvements on local streets and roads, state highways, and those guideway projects.*

Article 3. Fiscal Provisions

2710. *Notes and bonds in the total amount of one billion dollars (\$1,000,000,000), exclusive of refunding bonds, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter, and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The notes and bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the notes and bonds as the principal and interest become due and payable.*

2711. (a) *Except as provided in subdivision (b), the notes and bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the*

Government Code), and all of the provisions of that law apply to the notes and bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

(b) Notwithstanding any other provision of this chapter or the State General Obligation Bond Law, the following applies:

(1) Each issue of bonds authorized by the committee shall have a final maturity of 20 years and shall be structured to provide, as nearly as possible, level principal payments over the life of the bonds.

(2) Any bonds may be called and redeemed prior to their stated maturity only from the proceeds of refunding bonds or from funds appropriated by the Legislature which are proceeds of taxes of the state anticipated to exceed the state's appropriations limit for any fiscal year, if the amount used to redeem the bonds does not exceed the amount which is certified by the Controller to be the excess of proceeds of taxes for that fiscal year, as those terms are defined in Article XIII B of the California Constitution. For purposes of this paragraph, the use of proceeds of taxes to redeem bonds prior to their stated maturity shall be deemed to be the payment of debt service on the bonds within the meaning of Article XIII B. The dedication of the proceeds of taxes to an escrow fund to redeem the bonds on the first date on which they may be redeemed shall also be deemed as payment of debt service on the bonds within the meaning of Article XIII B.

2712. (a) The Transportation Improvement Finance Committee is hereby created. For purposes of this chapter, the Transportation Improvement Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code). The committee consists of the Treasurer, the Director of Finance, the Controller, the Director of Transportation, and the Lieutenant Governor, or their designated representative. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the Department of Transportation is designated the "board."

2713. The committee shall determine whether it is necessary or desirable to issue notes and bonds authorized pursuant to this chapter in order to carry out the actions specified in Section 2706, and if so, the amount of notes and bonds to be issued and sold. Successive issues of notes and bonds may be issued and sold to carry out those actions progressively, and it is not necessary that all of the notes and bonds so authorized be issued and sold at any one time. The committee shall consider program funding needs, revenue projections, financial market conditions, and other necessary factors in determining the shortest feasible term for the notes and bonds issued.

2714. There shall be collected annually, in the same manner and at the same time as other state revenue is collected, the sum, in addition to the ordinary revenues of the state, required to pay the principal of, and interest on, the notes and bonds due and payable each year and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which is necessary to collect the additional sum.

2715. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, without regard to fiscal years, for the purpose of this chapter, an amount equal to that sum

annually necessary to pay the principal of, and the interest on, the notes and bonds issued and sold pursuant to this chapter as the principal and interest become due and payable.

2716. Money may be transferred from the fund to the State Transportation Fund to reimburse the State Highway Account for expenditures made subsequent to the adoption of this chapter by the voters for the purposes of state highway and exclusive public mass transit guideway capital improvements in accordance with Chapter 2 (commencing with Section 14520) of Part 5.5 of Division 3 of Title 2 of the Government Code as specified in Section 2706

The aggregate amounts that may be transferred under this section shall not be in excess of amounts appropriated by the Legislature from the fund for that purpose.

2717. The board may request a loan from the General Fund or the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out this chapter.

The amount of the request shall not exceed the amount of the unsold notes and bonds which the committee has, by resolution, authorized to be sold for the purposes of carrying out this chapter. Money received from the sale of bonds shall be used to repay the loan.

Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

2718. All money deposited in the fund which is derived from premium and accrued interest on notes and bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

2719. Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of the State General Obligation Bond Law. Approval by the electors of the state for the issuance of bonds shall include approval of the issuance of any bonds issued to refund any bonds originally issued or any previously issued refunding bonds.

2720. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of notes and bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

2721. The Department of Transportation shall be responsible for the administration of all money in the fund. In consultation with the Treasurer and the Director of Finance, the department shall establish the procedures necessary to ensure compliance with all state and federal laws pertaining to the sale and use of general obligation bonds.

**PROPOSITIONS SUBMITTED TO
VOTE OF ELECTORS**

General Election, November 8, 1988

MEASURES ADOPTED

CONSTITUTIONAL AMENDMENTS SUBMITTED BY LEGISLATURE

*Number
on ballot*

87. Property Tax Revenues, Redevelopment Agencies. (Statutes 1988, Resolution Chapter 54, ACA 56)

[Approved by electors November 8, 1988]

PROPOSED AMENDMENT TO ARTICLE XVI, SECTION 16

SEC. 16. All property in a redevelopment project established under the Community Redevelopment Law ~~Act~~ as now existing or hereafter amended, except publicly owned property not subject to taxation by reason of ~~such that~~ ownership, shall be taxed in proportion to its value as provided in Section 1 of this article, and ~~such those~~ taxes (the word "taxes" as used herein ~~shall include includes~~, but ~~shall is not be~~ limited to, all levies on an ad valorem basis upon land or real property) shall be levied and collected as other taxes are levied and collected by the respective taxing agencies.

The Legislature may provide that any redevelopment plan may contain a provision that the taxes, if any, so levied upon ~~such the~~ taxable property in a redevelopment project each year by or for the benefit of the State of California, any city, county, city and county, district, or other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving the redevelopment plan, shall be divided as follows:

(a) That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of ~~said those~~ taxing agencies upon the total sum of the assessed value of the taxable property in the redevelopment project as shown upon the assessment roll used in connection with the taxation of ~~such that~~ property by ~~such the~~ taxing agency, last equalized prior to the effective date of ~~such the~~ ordinance, shall be allocated to, and when collected shall be paid into, the funds of the respective taxing agencies as taxes by or for ~~said those~~ taxing agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory in a redevelopment project on the effective date of ~~such the~~ ordinance but to which ~~such that~~ territory has been annexed or otherwise included after ~~such the ordinance's~~ effective date, the assessment roll of the county last equalized on the effective date of ~~said that~~ ordinance shall be used in determining the assessed valuation of the taxable property in the project on ~~said that~~ effective date); and

(b) ~~That~~ Except as provided in subdivision (c), that portion of ~~said the~~ levied taxes each year in excess of ~~such that~~ amount shall be allocated to and when collected shall be paid into a special fund of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by ~~such the~~ redevelopment agency to finance or refinance, in whole or in part, ~~such the~~ redevelopment

project. Unless and until the total assessed valuation of the taxable property in a redevelopment project exceeds the total assessed value of the taxable property in ~~such the~~ project as shown by the last equalized assessment roll referred to in ~~paragraph designated (a) hereof subdivision (a)~~, all of the taxes levied and collected upon the taxable property in ~~such the~~ redevelopment project shall be paid into the funds of the respective taxing agencies. When ~~said the~~ loans, advances, and indebtedness, if any, and interest thereon, have been paid, then all moneys thereafter received from taxes upon the taxable property in ~~such the~~ redevelopment project shall be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

(c) That portion of the taxes identified in subdivision (b) which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness for the acquisition or improvement of real property shall be allocated to, and when collected shall be paid into, the fund of that taxing agency. This paragraph shall only apply to taxes levied to repay bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989.

The Legislature may also provide that in any redevelopment plan or in the proceedings for the advance of moneys, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed, or otherwise) by the redevelopment agency to finance or refinance, in whole or in part, the redevelopment project, the portion of taxes ~~mentioned identified in paragraph designated (b) hereof subdivision (b)~~, *exclusive of that portion identified in subdivision (c)*, may be irrevocably pledged for the payment of the principal of and interest on ~~said those~~ loans, advances, or indebtedness.

It is intended by this section to empower any redevelopment agency, city, county, or city and county under any law authorized by this section to exercise the provisions hereof separately or in combination with powers granted by the same or any other law relative to redevelopment agencies. This section shall not affect any other law or laws relating to the same or a similar subject but is intended to authorize an alternative method of procedure governing the subject to which it refers.

The Legislature shall enact ~~such those~~ laws as may be necessary to enforce the provisions of this section.

*Number
on ballot*

88. Deposit of Public Moneys. (Statutes 1988, Resolution Chapter 59, ACA 63)

[Approved by electors November 8, 1988]

PROPOSED AMENDMENT TO ARTICLE XI, SECTION 11

SEC. 11. (a) The Legislature may not delegate to a private person or body power to make, control, appropriate, supervise, or interfere with county or municipal corporation improvements, money, or property, or to levy taxes or assessments, or perform municipal functions.

(b) The Legislature may, however, provide for the deposit of public moneys in any bank in this state or in any savings and loan association in this state or any credit union in this state or *in any federally insured industrial loan company in this state* and for payment of interest, principal, and redemption premiums of public bonds and other evidence of public indebtedness by banks within or

without this state. It may also provide for investment of public moneys in securities and the registration of bonds and other evidences of indebtedness by private persons or bodies, within or without this state, acting as trustees or fiscal agents.

*Number
on ballot*

89. **Governor's Parole Review.** (Statutes 1988, Resolution Chapter 63, SCA 9)

[Approved by electors November 8, 1988.]

PROPOSED AMENDMENT TO ARTICLE V, SECTION 8

SEC. 8. (a) Subject to application procedures provided by statute, the Governor, on conditions the Governor deems proper, may grant a reprieve, pardon, and commutation, after sentence, except in case of impeachment. The Governor shall report to the Legislature each reprieve, pardon, and commutation granted, stating the pertinent facts and the reasons for granting it. The Governor may not grant a pardon or commutation to a person twice convicted of a felony except on recommendation of the Supreme Court, 4 judges concurring.

(b) *No decision of the parole authority of this state with respect to the granting, denial, revocation, or suspension of parole of a person sentenced to an indeterminate term upon conviction of murder shall become effective for a period of 30 days, during which the Governor may review the decision subject to procedures provided by statute. The Governor may only affirm, modify, or reverse the decision of the parole authority on the basis of the same factors which the parole authority is required to consider. The Governor shall report to the Legislature each parole decision affirmed, modified, or reversed, stating the pertinent facts and reasons for the action.*

*Number
on ballot*

90. **Assessed Valuation. Replacement Dwellings.** (Statutes 1988, Resolution Chapter 64, ACA 1)

[Approved by electors November 8, 1988.]

PROPOSED AMENDMENT TO ARTICLE XIII A, SECTION 2

First—That the second paragraph of subdivision (a) of Section 2 of Article XIII A thereof is amended to read:

However, the Legislature may provide that under appropriate circumstances and pursuant to definitions and procedures established by the Legislature, any person over the age of 55 years who resides in property which is eligible for the homeowner's exemption under subdivision (k) of Section 3 of Article XIII and any implementing legislation may transfer the base year value of the property entitled to exemption, with the adjustments authorized by subdivision (b), to any replacement dwelling of equal or lesser value located within the same county and purchased or newly constructed by that person as his or her principal residence within two years ~~after~~ of the sale of the original property. For purposes of this section, "any person over the age of 55 years" includes a married couple one member of which is over the age of 55 years. For purposes of this section, "replacement dwelling" means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, and any land on which it may be situated. For purposes of this section, a two-dwelling unit shall be

considered as two separate single-family dwellings. This paragraph shall ~~not~~ apply to any replacement dwelling which was purchased or newly constructed ~~prior to the effective date of this paragraph~~ on or after November 5, 1986.

Second—That a third paragraph is added to subdivision (a) of Section 2 of Article XIII A thereof, to read:

In addition, the Legislature may authorize each county board of supervisors, after consultation with the local affected agencies within the county's boundaries, to adopt an ordinance making the provisions of this subdivision relating to transfer of base year value also applicable to situations in which the replacement dwellings are located in that county and the original properties are located in another county within this state. For purposes of this paragraph, "local affected agency" means any city, special district, school district, or community college district which receives an annual property tax revenue allocation. This paragraph shall apply to any replacement dwelling which was purchased or newly constructed on or after the date the county adopted the provisions of this subdivision relating to transfer of base year value, but shall not apply to any replacement dwelling which was purchased or newly constructed before November 9, 1988.

Third—That subdivision (i) of Section 2 of Article XIII A thereof is amended to read:

(i) Unless specifically provided otherwise, amendments to this section *adopted prior to November 1, 1988, shall be effective for change of ownerships changes in ownership* which occur, and new construction which is completed, after the effective date of the amendment. *Unless specifically provided otherwise, amendments to this section adopted after November 1, 1988, shall be effective for changes in ownership which occur, and new construction which is completed, on or after the effective date of the amendment.*

*Number
on ballot*

91. **Justice Courts. Eligibility.** (Statutes 1988, Resolution Chapter 65, ACA 12)

[Approved by electors November 8, 1988.]

PROPOSED AMENDMENTS TO ARTICLE VI, SECTIONS 1, 15 AND 15.5

First—That Section 1 of Article VI thereof is amended to read:

SEC. 1. The judicial power of this State is vested in the Supreme Court, courts of appeal, superior courts, municipal courts, and justice courts. All ~~except justice~~ courts are courts of record.

Second—That Section 15 of Article VI thereof is amended to read:

SEC. 15. A person is ineligible to be a judge of a court of record unless for 5 years immediately preceding selection to a municipal *or justice* court or 10 years immediately preceding selection to other courts, the person has been a member of the State Bar or served as a judge of a court of record in this State. A judge eligible for municipal court service may be assigned by the Chief Justice to serve on any court.

Third—That Section 15.5 is added to Article VI thereof, to read:

SEC. 15.5. *The 5-year membership or service requirement of Section 15 does not apply to justice court judges who held office on January 1, 1988.*

This section shall be operative only until January 1, 1995, and as of that date is repealed.

Fourth—That the changes made by this measure shall be operative on January 1, 1990.

*Number
on ballot*

92. **Commission on Judicial Performance.** (Statutes 1988, Resolution Chapter 67, SCA 6)
[Approved by electors November 8, 1988]

**PROPOSED AMENDMENTS TO ARTICLE VI,
SECTIONS 8 AND 18**

First—That Section 8 of Article VI thereof is amended to read:

SEC. 8. (a) The Commission on Judicial Performance consists of 2 judges of courts of appeal, 2 judges of superior courts, and one judge of a municipal court, each appointed by the Supreme Court; 2 members of the State Bar of California who have practiced law in this State for 10 years, appointed by its governing body; and 2 citizens who are not judges, retired judges, or members of the State Bar of California, appointed by the Governor and approved by the Senate, a majority of the membership concurring. ~~All~~ *Except as provided in subdivision (b), all terms are 4 years. No member shall serve more than 2 4-year terms.*

Commission membership terminates if a member ceases to hold the position that qualified the member for appointment. A vacancy shall be filled by the appointing power for the remainder of the term. *A member whose term has expired may continue to serve until the vacancy has been filled by the appointing power*

(b) To create staggered terms among the members of the Commission on Judicial Performance, the following members shall be appointed, as follows:

(1) The court of appeal member appointed to immediately succeed the term that expires on November 8, 1988, shall serve a 2-year term.

(2) Of the State Bar members appointed to immediately succeed terms that expire on December 31, 1988, one member shall serve for a 2-year term.

Second—That Section 18 of Article VI thereof is amended to read:

SEC. 18. (a) A judge is disqualified from acting as a judge, without loss of salary, while there is pending (1) an indictment or an information charging the judge in the United States with a crime punishable as a felony under California or federal law, or (2) a recommendation to the Supreme Court by the Commission on Judicial Performance for removal or retirement of the judge.

(b) On recommendation of the Commission on Judicial Performance or on its own motion, the Supreme Court may suspend a judge from office without salary when in the United States the judge pleads guilty or no contest or is found guilty of a crime punishable as a felony under California or federal law or of any other crime that involves moral turpitude under that law. If the conviction is reversed suspension terminates, and the judge shall be paid the salary for the judicial office held by the judge for the period of suspension. If the judge is suspended and the conviction becomes final the Supreme Court shall remove the judge from office.

(c) On recommendation of the Commission on Judicial Performance the Supreme Court may (1) retire a judge for disability that seriously interferes with the performance of the judge's duties and is or is likely to become permanent, and (2) censure or remove a judge for action occurring not more than 6 years prior to the commencement of the judge's current term that constitutes wilful misconduct in office, persistent failure or inability to perform the judge's duties, habitual intemperance in the use of intoxicants or drugs, or conduct prejudicial to

the administration of justice that brings the judicial office into disrepute. The ~~commission~~ *Commission on Judicial Performance* may privately admonish a judge found to have engaged in an improper action or a dereliction of duty, subject to review in the Supreme Court in the manner provided for review of causes decided by a court of appeal.

(d) A judge retired by the Supreme Court shall be considered to have retired voluntarily. A judge removed by the Supreme Court is ineligible for judicial office and pending further order of the court is suspended from practicing law in this State.

(e) A recommendation of the Commission on Judicial Performance for the censure, removal or retirement of a judge of the Supreme Court shall be determined by a tribunal of 7 court of appeal judges selected by lot.

(f) *If, after conducting a preliminary investigation, the Commission on Judicial Performance by vote determines that formal proceedings should be instituted.*

(1) The judge or judges charged may require that formal hearings be public, unless the Commission on Judicial Performance by vote finds good cause for confidential hearings.

(2) The Commission on Judicial Performance may, without further review in the Supreme Court, issue a public reproof with the consent of the judge for conduct warranting discipline. The public reproof shall include an enumeration of any and all formal charges brought against the judge which have not been dismissed by the commission.

(3) The Commission on Judicial Performance may in the pursuit of public confidence and the interests of justice, issue press statements or releases or, in the event charges involve moral turpitude, dishonesty, or corruption, open hearings to the public.

(g) The Commission on Judicial Performance may issue explanatory statements at any investigatory stage when the subject matter is generally known to the public.

(h) The Judicial Council shall make rules implementing this section and providing for confidentiality of proceedings.

*Number
on ballot*

93. Veterans' Property Tax Exemption. (Statutes 1988, Resolution Chapter 68, SCA 16)
[Approved by electors November 8, 1988.]

PROPOSED AMENDMENT TO ARTICLE XIII, SECTION 3

First—That subdivision (o) of Section 3 of Article XIII thereof is amended to read:

- (o) Property in the amount of \$1,000 of a claimant who—
 - (1) is serving in or has served in and has been discharged under honorable conditions from service in the United States Army, Navy, Air Force, Marine Corps, Coast Guard, or Revenue Marine (Revenue Cutter) Service; and—
 - (2) served either
 - (i) in time of war, or
 - (ii) in time of peace in a campaign or expedition for which a medal has been issued by Congress, or
 - (iii) in time of peace and because of a service-connected disability was released from active duty; and—

(3) resides in the State on the current lien date; ~~and~~
~~(4) resided in the State either~~
~~(i) on November 3, 1964, or~~
~~(ii) at the time of entry into one of the branches of the armed forces named in paragraph (1) of this subsection.~~

An unmarried person who owns property valued at \$5,000 or more, or a married person, who, together with the spouse, owns property valued at \$10,000 or more, is ineligible for this exemption.

If the claimant is married and does not own property eligible for the full amount of the exemption, property of the spouse shall be eligible for the unused balance of the exemption.

Second—That subdivision (p) of Section 3 of Article XIII thereof is amended to read:

(p) Property in the amount of \$1,000 of a claimant who—
 (1) is the unmarried spouse of a deceased veteran who met the service requirement stated in paragraphs (1) and (2) of subsection 3(o), and
 (2) does not own property in excess of \$10,000, and
 (3) is a resident of the State on the current lien date; ~~and either~~
~~(i) resided in the State on November 3, 1964, or~~
~~(ii) is the unmarried spouse of a deceased veteran who met the residency requirement stated in paragraph 4 of subsection 3(o).~~

Third—That subdivision (q) of Section 3 of Article XIII thereof is amended to read:

(q) Property in the amount of \$1,000 of a claimant who—
 (1) is the parent of a deceased veteran who met the service requirement stated in paragraphs (1) and (2) of subsection 3(o), and
 (2) receives a pension because of the veteran's service, and
 (3) is a resident of the State on the current lien date; ~~and either~~
~~(i) resided in the State on November 3, 1964, or~~
~~(ii) is the parent of a deceased veteran who met the residency requirement stated in paragraph (4) of subsection 3(o).~~

Either parent of a deceased veteran may claim this exemption.

An unmarried person who owns property valued at \$5,000 or more, or a married person, who, together with the spouse, owns property valued at \$10,000 or more, is ineligible for this exemption.

Number
on ballot

94. Judges. (Statutes 1988, Resolution Chapter 70, ACA 17)

[Approved by electors November 8, 1988]

PROPOSED AMENDMENT TO ARTICLE VI, SECTION 17

SEC. 17. A judge of a court of record may not practice law and during the term for which the judge was selected is ineligible for public employment or public office other than judicial employment or judicial office, *except a judge of a court of record may accept a part-time teaching position that is outside the normal hours of his or her judicial position and that does not interfere with the regular performance of his or her judicial duties while holding office.* A judge of the superior or municipal court a trial court of record may, however, become

eligible for election to other public office by taking a leave of absence without pay prior to filing a declaration of candidacy. Acceptance of the public office is a resignation from the office of judge.

A judicial officer may not receive fines or fees for personal use.

A judicial officer may not earn retirement service credit from a public teaching position while holding judicial office.

INITIATIVE CONSTITUTIONAL AMENDMENTS AND STATUTES

*Number
on ballot*

98. School Funding.

[Submitted by the initiative and approved by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. This Act shall be known as "The Classroom Instructional Improvement and Accountability Act"

SECTION 2. Purpose and Intent. The People of the State of California find and declare that:

(a) California schools are the fastest growing in the nation. Our schools must make room for an additional 130,000 students every year.

(b) Classes in California's schools have become so seriously overcrowded that California now has the largest classes of any state in the nation

(c) This act will enable Californians to once again have one of the best public school systems in the nation.

(d) This act will not raise taxes.

(e) It is the intent of the People of California to ensure that our schools spend money where it is most needed. Therefore, this Act will require every local school board to prepare a School Accountability Report Card to guarantee accountability for the dollars spent.

(f) This Act will require that excess state funds be used directly for classroom instructional improvement by providing for additional instructional materials and reducing class sizes.

(g) This Act will establish a prudent state reserve to enable California to set aside funds when the economy is strong and prevent cutbacks or tax increases in times of severe need or emergency.

SECTION 3. Section 5.5 is hereby added to Article XIII B as follows:

SECTION 5.5. Prudent State Reserve. The Legislature shall establish a prudent state reserve fund in such amount as it shall deem reasonable and necessary. Contributions to, and withdrawals from, the fund shall be subject to the provisions of Section 5 of this Article.

SECTION 4. Section 2 of Article XIII B is hereby amended to read as follows:

SECTION 2. Revenues in Excess of Limitation

(a) All revenues received by the state in excess of that amount which is appropriated by the state in compliance with this Article, and which would otherwise be required, pursuant to subdivision (b) of this Section, to be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years, shall be transferred and allocated pursuant to Section 8.5 of Article XVI up to the maximum amount permitted by that section.

(b) Except as provided in subdivision (a) of this Section, ~~Revenues~~ revenues received by any entity of government in excess of that amount which is

appropriated by such entity in compliance with this Article during the fiscal year shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years.

SECTION 5. Section 8 of Article XVI is hereby amended to read as follows:

SECTION 8. *School Funding Priority*

(a) From all state revenues there shall first be set apart the monies to be applied by the state for support of the public school system and public institutions of higher education.

(b) *Commencing with the 1988–89 fiscal year, the monies to be applied by the state for the support of school districts and community college districts shall be not less than the greater of:*

(1) *The amount which, as a percentage of the State General Fund revenues which may be appropriated pursuant to Article XIII B, equals the percentage of such State General Fund revenues appropriated for school districts and community college districts, respectively, in fiscal year 1986–87, or*

(2) *The amount required to ensure that the total allocations to school districts and community college districts from the State General Fund proceeds of taxes appropriated pursuant to Article XIII B and allocated local proceeds of taxes shall not be less than the total amount from these sources in the prior year, adjusted for increases in enrollment, and adjusted for changes in the cost of living pursuant to the provisions of Article XIII B.*

(c) *The provisions of subdivision (b) of this Section may be suspended for one year by the enactment of an urgency statute pursuant to Section 8 of Article IV, provided that no urgency statute enacted under this subdivision may be made part of or included within any bill enacted pursuant to Section 12 of Article IV.*

SECTION 6. Section 8.5 of Article XVI is hereby added as follows:

SECTION 8.5. *Allocations to State School Fund*

(a) *In addition to the amount required to be applied for the support of school districts and community colleges pursuant to Section 8(b), the Controller shall during each fiscal year transfer and allocate all revenues available pursuant to subdivision (a) of Section 2 of Article XIII B, up to a maximum of four percent (4%) of the total amount required pursuant to Section 8(b) of this Article, to that portion of the State School Fund restricted for elementary and high school purposes, and to that portion of the State School Fund restricted for community college purposes, respectively, in proportion to the enrollment in school districts and community college districts respectively.*

(1) *With respect to funds allocated to that portion of the State School Fund restricted for elementary and high school purposes, no transfer or allocation of funds pursuant to this section shall be required at any time that the Director of Finance and the Superintendent of Public Instruction mutually determine that current annual expenditures per student equal or exceed the average annual expenditure per student of the ten states with the highest annual expenditures per student for elementary and high schools, and that average class size equals or is less than the average class size of the ten states with the lowest class size for elementary and high schools.*

(2) *With respect to funds allocated to that portion of the State School Fund restricted for community college purposes, no transfer or allocation of funds pursuant to this section shall be required at any time that the Director of Finance and the Chancellor of Community Colleges mutually determine that current annual expenditures per student for community colleges in this state equal or exceed the average annual expenditure per student of the ten states with the highest annual expenditures per student for community colleges.*

(b) Notwithstanding the provisions of Article XIII B, funds allocated pursuant to this section shall not constitute appropriations subject to limitation, but appropriation limits established in Article XIII B shall be annually increased for any such allocations made in the prior year.

(c) From any funds transferred to the State School Fund pursuant to paragraph (a) of this Section, the Controller shall each year allocate to each school district and community college district an equal amount per enrollment in school districts from the amount in that portion of the State School Fund restricted for elementary and high school purposes and an equal amount per enrollment in community college districts from that portion of the State School Fund restricted for community college purposes.

(d) All revenues allocated pursuant to subdivision (a) of this section, together with an amount equal to the total amount of revenues allocated pursuant to subdivision (a) of this section in all prior years, as adjusted if required by Section 8(b) (2) of Article XVI, shall be expended solely for the purposes of instructional improvement and accountability as required by law

(e) Any school district maintaining an elementary or secondary school shall develop and cause to be prepared an annual audit accounting for such funds and shall adopt a School Accountability Report Card for each school.

SECTION 7. Section 33126 is hereby added to Article 2 of Chapter 2 of Part 20 of Division 2 of Title 2 of the Education Code to read as follows:

33126 School Accountability Report Card

In order to promote a model statewide standard of instructional accountability and conditions for teaching and learning, the Superintendent of Public Instruction shall by March 1, 1989, develop and present to the Board of Education for adoption a statewide model School Accountability Report Card

(a) The model School Accountability Report Card shall include, but is not limited to, assessment of the following school conditions.

(1) Student achievement in and progress toward meeting reading, writing, arithmetic and other academic goals.

(2) Progress toward reducing drop-out rates.

(3) Estimated expenditures per student, and types of services funded.

(4) Progress toward reducing class sizes and teaching loads.

(5) Any assignment of teachers outside their subject areas of competence

(6) Quality and currency of textbooks and other instructional materials.

(7) The availability of qualified personnel to provide counseling and other student support services.

(8) Availability of qualified substitute teachers.

(9) Safety, cleanliness, and adequacy of school facilities

(10) Adequacy of teacher evaluations and opportunities for professional improvement

(11) Classroom discipline and climate for learning.

(12) Teacher and staff training, and curriculum improvement programs.

(13) Quality of school instruction and leadership.

(b) In developing the statewide model School Accountability Report, the Superintendent of Public Instruction shall consult with a Task Force on Instructional Improvement, to be appointed by the Superintendent, composed of practicing classroom teachers, school administrators, parents, school board members, classified employees, and educational research specialists, provided that the majority of the task force shall consist of practicing classroom teachers.

SECTION 8. Section 35256 is hereby added to Article 8 of Chapter 2 of Part 20 of Division 3 of Title 2 of the Education Code to read as follows:

35256. School Accountability Report Card

The governing board of each school district maintaining an elementary or secondary school shall by September 30, 1989, or the beginning of the school year develop and cause to be implemented for each school in the school district a School Accountability Report Card.

(a) The School Accountability Report Card shall include, but is not limited to, the conditions listed in Education Code Section 33126.

(b) Not less than triennially, the governing board of each school district shall compare the content of the school district's School Accountability Report Card to the model School Accountability Report Card adopted by the State Board of Education. Variances among school districts shall be permitted where necessary to account for local needs.

(c) The Governing Board of each school district shall annually issue a School Accountability Report Card for each school in the school district, publicize such reports, and notify parents or guardians of students that a copy will be provided upon request.

SECTION 9. Section 41300.1 is hereby added to Article 1 of Chapter 3 of Part 24 of Division 3 of Title 2 of the Education Code to read as follows:

41300.1 Instructional Improvement and Accountability.

The amount transferred to Section A of the State School Fund pursuant to Section 8.5 of Article XVI of the State Constitution shall to the maximum extent feasible be expended or encumbered during the fiscal year received and solely for the purpose of instructional improvement and accountability.

(a) For the purpose of this section, "instructional improvement and accountability" shall mean expenditures for instructional activities for school sites which directly benefit the instruction of students, and shall be limited to expenditures for the following:

(1) Lower pupil-teacher ratios until a ratio is attained of not more than 20 students per teacher providing direct instruction in any class, and until a goal is attained of total teacher loads of less than 100 total students per teacher in all secondary school classes in academic subjects as defined by the Superintendent of Public Instruction.

(2) Instructional supplies, instructional equipment, instructional materials and support services necessary to improve school conditions.

(3) Direct student services needed to ensure that each student makes academic progress necessary to be promoted to the next appropriate grade level.

(4) Staff development which improves services to students or increases the quality and effectiveness of instructional staff, designed and implemented by classroom teachers and other participating school district personnel, including the school principal, with the aid of outside personnel as necessary. Classroom teachers shall comprise the majority of any group designated to design such staff development programs for instructional personnel.

(5) Compensation of teachers.

(b) Funds transferred to each school district, pursuant to this section shall be deposited in a separate account and shall be maintained and appropriated separately from funds from all other sources. Funds appropriated pursuant to this section shall supplement other resources of each school district and shall not supplant any other funds.

SECTION 10. Section 14020.1 is hereby added to Article 1 Chapter 1 of Part 9 of Division 1 of Title 1 of the Education Code to read as follows:

14020.1. Instructional Improvement and Accountability.

The amount transferred to Section B of the State School Fund pursuant to Section 8.5 of Article XVI of the State Constitution shall to the maximum extent feasible be expended or encumbered during the year received solely for the purposes of instructional improvement and accountability.

(a) For the purposes of this section, "instructional improvement and accountability" shall mean expenditures for instructional activities for college sites which directly benefit the instruction of students and shall be limited to expenditures for the following:

(1) Programs which require individual assessment and counseling of students for the purpose of designing a curriculum for each student and establishing a period of time within which to achieve the goals of that curriculum and the support services needed to achieve these goals, provided that any such program shall first have been approved by the Board of Governors of Community Colleges.

(2) Instructional supplies, instructional equipment, and instructional materials and support services necessary to improve campus conditions.

(3) Faculty development which improves instruction and increases the quality and effectiveness of instructional staff, as mutually determined by faculty and the community college district governing board.

(4) Compensation of faculty.

(b) Funds transferred to each community college district pursuant to this section shall be deposited in a separate account and shall be maintained and appropriated separately from funds from all other sources. Funds appropriated pursuant to this section shall supplement other resources of each community college district and shall not supplant funds appropriated from any other source.

SECTION 11. Section 14022 is added to the Education Code to read as follows:

14022 (a) For the purposes of Section 8 and Section 8.5 of Article XVI of the California Constitution, 'enrollment' shall mean:

(1) In community college districts, full-time equivalent students receiving services, and

(2) In school districts, average daily attendance when students are counted as average daily attendance and average daily attendance equivalents for services not counted in average daily attendance.

(b) Determination of enrollment shall be based upon actual data from prior years and for the next succeeding year such enrollments shall be estimated enrollments adjusted for actual data as actual data becomes available.

SECTION 12. Section 41302.5 is added to the Education Code to read as follows:

41302.5. For the purposes of Section 8 and Section 8.5 of Article XVI of the California Constitution, 'school districts' shall include county boards of education, county superintendents of schools and direct elementary and secondary level instructional services provided by the State of California.

SECTION 13. *No provision of this Act may be changed except to further its purposes by a bill passed by a vote of two-thirds of the membership of both houses of the Legislature and signed by the Governor.*

SECTION 14. *Severability*

If any provision of this Act, or the application of any provision of this Act to any person or circumstance, shall be held invalid, the remainder of this Act, to the extent that it can be given effect, shall not be affected thereby, and to this end the provisions of this Act are severable.

Number
on ballot

99. **Cigarette and Tobacco Tax. Benefit Fund.**

[Submitted by the initiative and approved by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. This measure shall be known and may be cited as the Tobacco Tax and Health Protection Act of 1988.

SEC. 2. The people find and declare as follows:

(a) Tobacco use is the single most preventable cause of death and disease in America.

(b) Tobacco-related diseases create immense suffering and personal loss, and a staggering economic cost which all Californians have to pay.

(c) Tobacco-related diseases are a major burden on state and local governments by requiring them to provide medical care and health services.

(d) Tobacco use causes substantial environmental damage, and property damage and loss of life due to fire.

(e) To reduce the incidence of cancer, heart, and lung disease and to reduce the economic costs of tobacco use in California, it is the intent of the people of California to increase the state tax on cigarettes and tobacco products and do all of the following:

(1) Reduce smoking and other tobacco use among children.

(2) Support medical research into tobacco-related cancer, heart, and lung diseases.

(3) Treat people suffering from tobacco-related diseases.

(4) In recognition of the uncompensated costs of tobacco-related illness, support treatment of patients who cannot afford to pay for services.

SEC. 3. Section 12 is added to Article XIII B of the Constitution, to read:

SEC. 12. "Appropriations subject to limitation" of each entity of government shall not include appropriations of revenue from the Cigarette and Tobacco Products Surtax Fund created by the Tobacco Tax and Health Protection Act of 1988. No adjustment in the appropriations limit of any entity of government shall be required pursuant to Section 3 as a result of revenue being deposited in or appropriated from the Cigarette and Tobacco Products Surtax Fund created by the Tobacco Tax and Health Protection Act of 1988.

SEC. 4. Article 2 (commencing with Section 30121) is added to Chapter 2 of Part 13 of Division 2 of the Revenue and Taxation Code, to read:

Article 2. Cigarette and Tobacco Products Surtax

30121. For purposes of this article:

(a) "Cigarettes" has the same meaning as in Section 30003, as it read on January 1, 1988.

(b) "Tobacco products" includes, but is not limited to, all forms of cigars, smoking tobacco, chewing tobacco, snuff, and any other articles or products made of, or containing at least 50 percent, tobacco, but does not include cigarettes.

(c) "Fund" means the Cigarette and Tobacco Products Surtax Fund created by Section 30122.

30122. (a) The Cigarette and Tobacco Products Surtax Fund is hereby created in the State Treasury. The fund shall consist of all revenues deposited therein pursuant to this article. Moneys in the fund may only be appropriated for the following purposes:

- (1) *Tobacco-related school and community health education programs.*
 - (2) *Tobacco-related disease research.*
 - (3) *Medical and hospital care and treatment of patients who cannot afford to pay for those services, and for whom payment will not be made through any private coverage or by any program funded in whole or in part by the federal government.*
 - (4) *Programs for fire prevention; environmental conservation; protection, restoration, enhancement, and maintenance of fish, waterfowl, and wildlife habitat areas; and enhancement of state and local park and recreation purposes.*
 - (b) *The fund consists of six separate accounts, as follows:*
 - (1) *The Health Education Account, which shall only be available for appropriation for programs for the prevention and reduction of tobacco use, primarily among children, through school and community health education programs.*
 - (2) *The Hospital Services Account, which shall only be available for appropriation for payment to public and private hospitals licensed pursuant to subdivision (a) of Section 1250 of the Health and Safety Code for the treatment of hospital patients who cannot afford to pay for that treatment and for whom payment for hospital services will not be made through private coverage or by any program funded in whole or in part by the federal government.*
 - (3) *The Physician Services Account, which shall only be available for appropriation for payment to physicians for services to patients who cannot afford to pay for those services, and for whom payment for physician services will not be made through private coverage or by any program funded in whole or in part by the federal government.*
 - (4) *The Research Account, which shall only be available for appropriation for tobacco-related disease research.*
 - (5) *The Public Resources Account, which shall only be available for appropriation in equal amounts for both of the following.*
 - (A) *Programs to protect, restore, enhance, or maintain fish, waterfowl, and wildlife habitat on an equally funded basis.*
 - (B) *Programs to enhance state and local park and recreation resources.*
 - (6) *The Unallocated Account, which shall be available for appropriation for any purpose specified in subdivision (a).*
30123. (a) *In addition to the tax imposed upon the distribution of cigarettes by this chapter, there shall be imposed upon every distributor a tax upon the distribution of cigarettes at the rate of twelve and one-half mills (\$0.0125) for each cigarette distributed.*
- (b) *There shall be imposed upon every distributor a tax upon the distribution of tobacco products, based on the wholesale cost of these products, at a tax rate, as determined annually by the State Board of Equalization, which is equivalent to the combined rate of tax imposed on cigarettes by subdivision (a) and the other provisions of this part.*
30124. (a) *With the exception of payments of refunds made pursuant to Article 1 (commencing with Section 30361) of Chapter 6, and reimbursement of the State Board of Equalization for expenses incurred in the administration and collection of the tax imposed by Section 30123, pursuant to its powers vested by this part, all moneys raised pursuant to the taxes imposed by Section 30123 shall be deposited into the fund as provided in subdivision (b).*
- (b) *Moneys shall be deposited in the fund according to the following formula:*
- (1) *Twenty percent shall be deposited in the Health Education Account*
 - (2) *Thirty-five percent shall be deposited in the Hospital Services Account.*
 - (3) *Ten percent shall be deposited in the Physician Services Account.*

(4) Five percent shall be deposited in the Research Account.

(5) Five percent shall be deposited in the Public Resources Account.

(6) Twenty-five percent shall be deposited in the Unallocated Account.

(c) Any amounts appropriated from any account specified in subdivision (b) which is not encumbered within the period prescribed by law shall revert to the account from which it was appropriated.

30125. Funds expended pursuant to this article shall be used only for the purposes expressed in this article and shall be used to supplement existing levels of service and not to fund existing levels of service.

30126. The annual determination required of the State Board of Equalization pursuant to subdivision (b) of Section 30123 shall be made based on the wholesale cost of tobacco products as of March 1, and shall be effective during the state's next fiscal year

30128. This article shall take effect on January 1, 1989.

30129. The tax imposed by Section 30123 shall be imposed on every cigarette and tobacco product in the possession or under the control of every dealer and distributor on and after 12:01 a.m. on January 1, 1989, pursuant to rules and regulations promulgated by the State Board of Equalization.

30130. This article may be amended only by vote of four-fifths of the membership of both houses of the Legislature. All amendments to this article must be consistent with its purposes.

SEC. 6. If any section of this measure, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining sections shall not be affected but will remain in full force and effect.

INITIATIVE STATUTES

Number
on ballot

96. Communicable Disease Tests.

[Submitted by the initiative and approved by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. Adoption of Chapter.

A new Chapter 1.20 commencing with section 199.95 entitled "AIDS Public Safety and Testing Disclosure" and new sections 199.95, 199.96, 199.97, and 199.98 are added to Part 1 of Division 1 of the Health and Safety Code to read as follows:

199.95. *Purpose.* The people of the State of California find and declare that AIDS, AIDS-related conditions, and other communicable diseases pose a major threat to the public health and safety.

The health and safety of the public, victims of sexual crimes, and peace officers, firefighters, and custodial personnel who may come into contact with infected persons, have not been adequately protected by law. The purpose of this chapter is to require that information that may be vital to the health and safety of the public, victims of certain crimes, certain defendants and minors, and custodial personnel, custodial medical personnel, peace officers, firefighters and emergency medical personnel put at risk in the course of their official duties, be obtained and disclosed in an appropriate manner in order that precautions can be taken to preserve their health and the health of others or that such persons can be relieved from groundless fear of infection.

It is the intent of this chapter to supersede in case of conflict existing statutes or case law on the subjects covered including but not limited to the confidentiality and consent provisions contained in chapters 1.11, 1.12, and 1.13 of Part 1 of Division 1 of the Health and Safety Code.

199.96. Sexual Crimes. Any defendant charged in any criminal complaint filed with a magistrate or court with any violation of Penal Code Sections 261, 261.5, 262, 266b, 266c, 286, 288, or 288a and any minor with respect to whom a petition has been filed in a juvenile court alleging violation of any of the foregoing laws, shall be subject to an order of a court having jurisdiction of the complaint or petition requiring testing as provided in this chapter.

If an alleged victim listed in the complaint or petition makes a written request for testing under this section, the prosecuting attorney, or the alleged victim may petition the court for an order authorized under this section.

The court shall promptly conduct a hearing upon any such petition. If the court finds that probable cause exists to believe that a possible transfer of blood, saliva, semen, or other bodily fluid took place between the defendant or minor and the alleged victim in an act specified in this section, the court shall order that the defendant or minor provide two specimens of blood for testing as provided in this chapter.

Copies of the test results shall be sent to the defendant or minor, each requesting victim and, if the defendant or minor is incarcerated or detained, to the officer in charge and the chief medical officer of the facility in which such person is incarcerated or detained.

199.97. Assaults on Officers. Any person charged in any criminal complaint filed with a magistrate or court and any minor with respect to whom a petition has been filed in juvenile court, in which it is alleged in whole or in part that the defendant or minor interfered with the official duties of a peace officer, firefighter, or emergency medical personnel by biting, scratching, spitting, or transferring blood or other bodily fluids on, upon, or through the skin or membranes of a peace officer, firefighter, or emergency medical personnel shall in addition to any penalties provided by law be subject to an order of a court having jurisdiction of the complaint or petition requiring testing as provided in this chapter.

The peace officer, firefighter, emergency medical personnel or the employing agency, officer, or entity may petition the court for an order authorized under this section.

The court shall promptly conduct a hearing upon any such petition. If the court finds that probable cause exists to believe that a possible transfer of blood, saliva, semen, or other bodily fluid took place between the defendant or minor and the peace officer, firefighter, or emergency medical personnel, as specified in this section, the court shall order that the defendant or minor provide two specimens of blood for testing as provided in this chapter.

Copies of the test results shall be sent to the defendant or minor, each peace officer, firefighter, and emergency medical personnel named in the petition and his or her employing agency, officer, or entity, and if the defendant or minor is incarcerated or detained, to the officer in charge and the chief medical officer of the facility in which such person is incarcerated or detained.

199.98. Testing.

(a) The withdrawal of blood shall be performed in a medically approved manner. Only a physician, registered nurse, licensed vocational nurse, licensed medical technician, or licensed phlebotomist may withdraw blood specimens for the purposes of this chapter.

(b) The court shall order that the blood specimens be transmitted to a licensed medical laboratory and that tests be conducted thereon for medically accepted indications of exposure to or infection by acquired immunity deficiency syndrome (AIDS) virus, AIDS-related conditions, and such communicable diseases for which medically approved testing is readily and economically available as determined by the court.

(c) Copies of test results which indicate exposure to or infection by AIDS, AIDS-related conditions, or other communicable diseases shall also be transmitted to the State Department of Health Services.

(d) The test results shall be sent to the designated recipients with the following disclaimer:

"The tests were conducted in a medically approved manner but tests cannot determine exposure to or infection by AIDS or other communicable diseases with absolute accuracy. Persons receiving this test result should continue to monitor their own health and should consult a physician as appropriate."

If the person subject to the test is a minor, copies of the test result shall also be sent to the minor's parents or guardian.

(e) The court shall order all persons, other than the test subject, who receive test results pursuant to Sections 199.96 or 199.97, to maintain the confidentiality of personal identifying data relating to the test results except for disclosure which may be necessary to obtain medical or psychological care or advice.

(f) The specimens and the results of tests ordered pursuant to Sections 199.96 and 199.97 shall not be admissible evidence in any criminal or juvenile proceeding.

(g) Any person performing testing, transmitting test results, or disclosing information pursuant to the provisions of this chapter shall be immune from civil liability for any action undertaken in accordance with the provisions of this chapter

199.99. Custodial Safety.

(a) Any medical personnel employed by, under contract to, or receiving payment from the State of California, any agency thereof, or any county, city, or city and county to provide service at any state prison, the Medical Facility, any Youth Authority institution, any county jail, city jail, hospital jail ward, juvenile hall, juvenile detention facility, or any other facility in which adults are held in custody or minors are detained, or any medical personnel employed, under contract, or receiving payment to provide services to persons in custody or detained at any of the foregoing facilities, who receives information as specified herein that an inmate or minor at such a facility has been exposed to or infected by the AIDS virus or has an AIDS-related condition or any communicable disease, shall communicate such information to the officer in charge of the facility in which such inmate or minor is in custody or detained.

(b) Information subject to disclosure under subsection (a) shall include the following. any laboratory test which indicates exposure to or infection by the AIDS virus, AIDS-related condition, or other communicable diseases; any statement by the inmate or minor to medical personnel that he or she has AIDS or an AIDS-related condition, has been exposed to the AIDS virus, or has any communicable disease; the results of any medical examination or test which indicates that the inmate or minor has tested positive for antibodies to the AIDS virus, has been exposed to the AIDS virus, has an AIDS-related condition, or is infected with AIDS or any communicable disease; provided, that information subject to disclosure shall not include information communicated to or obtained by a scientific research study pursuant to prior written approval expressly

waiving disclosure under this section by the officer in charge of the facility.

(c) The officer in charge of the facility shall notify all employees, medical personnel, contract personnel, and volunteers providing services at such facility who have or may have direct contact with the inmate or minor in question, or with bodily fluids from such inmate or minor, of the substance of the information received under subsections (a) and (b) so that such persons can take appropriate action to provide for the care of such inmate or minor, the safety of other inmates or minors, and their own safety.

(d) The officer in charge and all persons to whom information is disclosed pursuant to this section shall maintain the confidentiality of personal identifying data regarding such information, except for disclosure authorized hereunder or as may be necessary to obtain medical or psychological care or advice.

(e) Any person who wilfully discloses personal identifying data regarding information obtained under this section to any person who is not a peace officer or an employee of a federal, state, or local public health agency, except as authorized hereunder, by court order, with the written consent of the patient or as otherwise authorized by law, is guilty of a misdemeanor.

SECTION 2 Effective Date; Retrospective Application.

This initiative and its statutory amendments shall take effect the day after the election and shall be construed to apply retrospectively to pending complaints and petitions, regardless of when the underlying actions took place, and to information subject to disclosure hereunder obtained prior to its effective date, to the maximum extent permitted by law

Number
on ballot

97 State Occupational Safety and Health Plan.

[Submitted by the initiative and approved by electors November 8, 1988]

PROPOSED LAW

**CALIFORNIA OCCUPATIONAL SAFETY AND
HEALTH RESTORATION ACT**

SECTION 1. *The people of California find and declare that:*

(1) Californians have the right to be effectively protected from injury, illness, and death in the workplace, and from the hazards of exposure to toxic substances on the job and in the community.

(2) The restoration of adequate state standards and enforcement policies to reduce exposure to cancer-causing substances, chemicals that cause birth defects, and other toxic materials is in the interest of all Californians.

(3) Catastrophic releases of such contaminants into our communities can best be prevented through the restoration of effective state safety and health practices in the workplace, including proper equipment and maintenance policies, employee training, and safe handling of toxic materials.

(4) We disapprove of the elimination in 1987 of Cal/OSHA, the California Occupational Safety and Health Administration, and the transfer of control over worker safety and health to the federal government.

(5) Cal/OSHA has a superior record to Federal OSHA in regulating hazardous industries and occupations such as construction, manufacturing, transportation, electronics, chemical, mining, utilities, service, health care, retail and entertainment.

(6) *Over the years Cal/OSHA has served as a safety and health model for other states.*

(7) *A weaker safety and health system means increased death, illness, disabling injuries, pain and suffering for the working people of California.*

(8) *It is more cost effective for California employers to retain state control over workplace health and safety matters.*

(9) *The cost of restoring Cal/OSHA to the state is minor (a fraction of one percent of the state's budget) especially when compared to the amounts spent on bureaucratic activities of a less essential nature. Moreover, almost half of Cal/OSHA's budget would be paid for by federal grants.*

(10) *It is the purpose of this Act to restore California control over private sector safety and health, which the state has provided for since 1913, and has administered since 1973 through Cal/OSHA. Pursuant to Article XIV, Section 4, of the California Constitution, state jurisdiction over worker safety and health should not be limited, eliminated or otherwise restricted, unless absolutely required by the Federal Constitution.*

SECTION 2. Section 50.7 of the Labor Code is amended to read:

50.7. (a) *The Department of Industrial Relations is the state agency designated to be responsible for administering the state plan for the development and enforcement of occupational safety and health standards relating to issues covered by corresponding standards promulgated under the federal Occupational Safety and Health Act of 1970 (Public Law 91-596). The state plan shall be consistent with the provisions of state law governing occupational safety and health, including, but not limited to, Chapter 6 (commencing with Section 140) and Chapter 6.5 (commencing with Section 148) of Division 1, and Division 5 (commencing with Section 6300), of this code*

(b) *The budget and budget bill submitted pursuant to Article IV, Section 12 of the California Constitution shall include in the item for the support of the Department of Industrial Relations amounts sufficient to fully carry out the purposes and provisions of the state plan and this code in a manner which assures that the risk of industrial injury, exposure to toxic substances, illness and death to employees will be minimized.*

(c) *Because Federal grants are available, maximum Federal funding shall be sought and, to the extent possible, the cost of administering the state plan shall be paid by funds obtained from federal grants.*

(d) *The Governor and the Department of Industrial Relations shall take all steps necessary to prevent withdrawal of approval for the state plan by the Federal government. If Federal approval of the state plan has been withdrawn before passage of this initiative, or if it is withdrawn at any time after passage of this initiative, the Governor shall submit a new state plan immediately so that California shall be approved and shall continue to have access to Federal funds.*

SECTION 3. Section 6303.5 is added to the Labor Code to read:

6303.5. *Nothing in this division shall be construed to limit the jurisdiction of the state over any employment or place of employment by reason of the exercise of occupational safety and health jurisdiction by any federal agency if federal jurisdiction is being exercised under a federal law which expressly authorizes concurrent state jurisdiction over occupational safety or health issues.*

SECTION 4. *To further its purposes, this initiative may be amended by statute passed in each house by a two-thirds vote.*

SECTION 5. *If any section, part, clause or phrase of this measure is for any reason held invalid or unconstitutional, the remaining portions shall not be affected but shall remain in full force and effect*

Number
on ballot

103. **Insurance Rates, Regulation, Commissioner.**

[Submitted by the initiative and approved by electors November 8, 1988]

PROPOSED LAW

SECTION 1. Findings and Declaration.

The People of California find and declare as follows:

Enormous increases in the cost of insurance have made it both unaffordable and unavailable to millions of Californians.

The existing laws inadequately protect consumers and allow insurance companies to charge excessive, unjustified and arbitrary rates.

Therefore, the People of California declare that insurance reform is necessary. First, property-casualty insurance rates shall be immediately rolled back to what they were on November 8, 1987, and reduced no less than an additional 20%. Second, automobile insurance rates shall be determined primarily by a driver's safety record and mileage driven. Third, insurance rates shall be maintained at fair levels by requiring insurers to justify all future increases. Finally, the state Insurance Commissioner shall be elected. Insurance companies shall pay a fee to cover the costs of administering these new laws so that this reform will cost taxpayers nothing.

SECTION 2: Purpose.

The purpose of this chapter is to protect consumers from arbitrary insurance rates and practices, to encourage a competitive insurance marketplace, to provide for an accountable Insurance Commissioner, and to ensure that insurance is fair, available, and affordable for all Californians.

SECTION 3: Reduction and Control of Insurance Rates.

Article 10, commencing with Section 1861.01 is added to Chapter 9 of Part 2 of Division 1 of the Insurance Code to read:

Insurance Rate Rollback

1861.01. (a) *For any coverage for a policy for automobile and any other form of insurance subject to this chapter issued or renewed on or after November 8, 1988, every insurer shall reduce its charges to levels which are at least 20% less than the charges for the same coverage which were in effect on November 8, 1987.*

(b) *Between November 8, 1988, and November 8, 1989, rates and premiums reduced pursuant to subdivision (a) may be only increased if the commissioner finds, after a hearing, that an insurer is substantially threatened with insolvency.*

(c) *Commencing November 8, 1989, insurance rates subject to this chapter must be approved by the commissioner prior to their use.*

(d) *For those who apply for an automobile insurance policy for the first time on or after November 8, 1988, the rate shall be 20% less than the rate which was in effect on November 8, 1987, for similarly situated risks.*

(e) *Any separate affiliate of an insurer, established on or after November 8, 1987, shall be subject to the provisions of this section and shall reduce its charges to levels which are at least 20% less than the insurer's charges in effect on that date.*

Automobile Rates & Good Driver Discount Plan

1861.02. (a) *Rates and premiums for an automobile insurance policy, as described in subdivision (a) of Section 660, shall be determined by application of the following factors in decreasing order of importance:*

- (1) *The insured's driving safety record.*
- (2) *The number of miles he or she drives annually.*
- (3) *The number of years of driving experience the insured has had.*

(4) *Such other factors as the commissioner may adopt by regulation that have a substantial relationship to the risk of loss. The regulations shall set forth the respective weight to be given each factor in determining automobile rates and premiums. Notwithstanding any other provision of law, the use of any criterion without such approval shall constitute unfair discrimination.*

(b) (1) *Every person who (A) has been licensed to drive a motor vehicle for the previous three years and (B) has had, during that period, not more than one conviction for a moving violation which has not eventually been dismissed shall be qualified to purchase a Good Driver Discount policy from the insurer of his or her choice. An insurer shall not refuse to offer and sell a Good Driver Discount policy to any person who meets the standards of this subdivision. (2) The rate charged for a Good Driver Discount policy shall comply with subdivision (a) and shall be at least 20% below the rate the insured would otherwise have been charged for the same coverage. Rates for Good Driver Discount policies shall be approved pursuant to this article.*

(c) *The absence of prior automobile insurance coverage, in and of itself, shall not be a criterion for determining eligibility for a Good Driver Discount policy, or generally for automobile rates, premiums, or insurability.*

(d) *This section shall become operative on November 8, 1989. The commissioner shall adopt regulations implementing this section and insurers may submit applications pursuant to this article which comply with such regulations prior to that date, provided that no such application shall be approved prior to that date.*

Prohibition on Unfair Insurance Practices

1861.03. (a) *The business of insurance shall be subject to the laws of California applicable to any other business, including, but not limited to, the Unruh Civil Rights Act (Civil Code Sections 51 through 53), and the antitrust and unfair business practices laws (Parts 2 and 3, commencing with section 16600 of Division 7, of the Business and Professions Code).*

(b) *Nothing in this section shall be construed to prohibit (1) any agreement to collect, compile and disseminate historical data on paid claims or reserves for reported claims, provided such data is contemporaneously transmitted to the commissioner, or (2) participation in any joint arrangement established by statute or the commissioner to assure availability of insurance.*

(c) *Notwithstanding any other provision of law, a notice of cancellation or non-renewal of a policy for automobile insurance shall be effective only if it is based on one or more of the following reasons: (1) non-payment of premium; (2) fraud or material misrepresentation affecting the policy or insured; (3) a substantial increase in the hazard insured against.*

Full Disclosure of Insurance Information

1861.04. (a) *Upon request, and for a reasonable fee to cover costs, the commissioner shall provide consumers with a comparison of the rate in effect for each personal line of insurance for every insurer.*

Approval of Insurance Rates

1861.05. (a) *No rate shall be approved or remain in effect which is excessive, inadequate, unfairly discriminatory or otherwise in violation of this chapter. In considering whether a rate is excessive, inadequate or unfairly discriminatory, no*

consideration shall be given to the degree of competition and the commissioner shall consider whether the rate mathematically reflects the insurance company's investment income.

(b) Every insurer which desires to change any rate shall file a complete rate application with the commissioner. A complete rate application shall include all data referred to in Sections 1857.7, 1857.9, 1857.15, and 1864 and such other information as the commissioner may require. The applicant shall have the burden of proving that the requested rate change is justified and meets the requirements of this article.

(c) The commissioner shall notify the public of any application by an insurer for a rate change. The application shall be deemed approved sixty days after public notice unless (1) a consumer or his or her representative requests a hearing within forty-five days of public notice and the commissioner grants the hearing, or determines not to grant the hearing and issues written findings in support of that decision, or (2) the commissioner on his or her own motion determines to hold a hearing, or (3) the proposed rate adjustment exceeds 7% of the then applicable rate for personal lines or 15% for commercial lines, in which case the commissioner must hold a hearing upon a timely request.

1861.06. Public notice required by this article shall be made through distribution to the news media and to any member of the public who requests placement on a mailing list for that purpose

1861.07 All information provided to the commissioner pursuant to this article shall be available for public inspection, and the provisions of Section 6254(d) of the Government Code and Section 1857.9 of the Insurance Code shall not apply thereto.

1861.08 Hearings shall be conducted pursuant to Sections 11500 through 11528 of the Government Code, except that: (a) hearings shall be conducted by administrative law judges for purposes of Sections 11512 and 11517, chosen under Section 11502 or appointed by the commissioner; (b) hearings are commenced by a filing of a Notice in lieu of Sections 11503 and 11504; (c) the commissioner shall adopt, amend or reject a decision only under Section 11517 (c) and (e) and solely on the basis of the record; (d) Section 11513.5 shall apply to the commissioner; (e) discovery shall be liberally construed and disputes determined by the administrative law judge.

1861.09. Judicial review shall be in accordance with Section 1858.6 For purposes of judicial review, a decision to hold a hearing is not a final order or decision; however, a decision not to hold a hearing is final

Consumer Participation

1861.10. (a) Any person may initiate or intervene in any proceeding permitted or established pursuant to this chapter, challenge any action of the commissioner under this article, and enforce any provision of this article.

(b) The commissioner or a court shall award reasonable advocacy and witness fees and expenses to any person who demonstrates that (1) the person represents the interests of consumers, and, (2) that he or she has made a substantial contribution to the adoption of any order, regulation or decision by the commissioner or a court. Where such advocacy occurs in response to a rate application, the award shall be paid by the applicant

(c) (1) The commissioner shall require every insurer to enclose notices in every policy or renewal premium bill informing policyholders of the opportunity to join an independent, non-profit corporation which shall advocate the interests of insurance consumers in any forum. This organization shall be established by an

interim board of public members designated by the commissioner and operated by individuals who are democratically elected from its membership. The corporation shall proportionately reimburse insurers for any additional costs incurred by insertion of the enclosure, except no postage shall be charged for any enclosure weighing less than 1/8 of an ounce. (2) The commissioner shall by regulation determine the content of the enclosures and other procedures necessary for implementation of this provision. The legislature shall make no appropriation for this subdivision.

Emergency Authority

1861.11. In the event that the commissioner finds that (a) insurers have substantially withdrawn from any insurance market covered by this article, including insurance described by Section 660, and (b) a market assistance plan would not be sufficient to make insurance available, the commissioner shall establish a joint underwriting authority in the manner set forth by Section 11891, without the prior creation of a market assistance plan.

Group Insurance Plans

1861.12. Any insurer may issue any insurance coverage on a group plan, without restriction as to the purpose of the group, occupation or type of group. Group insurance rates shall not be considered to be unfairly discriminatory, if they are averaged broadly among persons insured under the group plan.

Application

1861.13. This article shall apply to all insurance on risks or on operations in this state, except those listed in Section 1851.

Enforcement & Penalties

1861.14. Violations of this article shall be subject to the penalties set forth in Section 1859 1. In addition to the other penalties provided in this chapter, the commissioner may suspend or revoke, in whole or in part, the certificate of authority of any insurer which fails to comply with the provisions of this article.

SECTION 4. Elected Commissioner

Section 12900 is added to the Insurance Code to read:

12900. (a) The commissioner shall be elected by the People in the same time, place and manner and for the same term as the Governor.

SECTION 5. Insurance Company Filing Fees

Section 12979 is added to the Insurance Code to read:

12979. Notwithstanding the provisions of Section 12978, the commissioner shall establish a schedule of filing fees to be paid by insurers to cover any administrative or operational costs arising from the provisions of Article 10 (commencing with Section 1861 01) of Chapter 9 of Part 2 of Division 1.

SECTION 6. Transitional Adjustment of Gross Premiums Tax

Section 12202.1 is added to the Revenue & Taxation Code to read:

12202.1. Notwithstanding the rate specified by Section 12202, the gross premiums tax rate paid by insurers for any premiums collected between November 8, 1988 and January 1, 1991 shall be adjusted by the Board of Equalization in January of each year so that the gross premium tax revenues collected for each prior calendar year shall be sufficient to compensate for changes in such revenues, if any, including changes in anticipated revenues, arising from this act. In calculating the necessary adjustment, the Board of

Equalization shall consider the growth in premiums in the most recent three year period, and the impact of general economic factors including, but not limited to, the inflation and interest rates.

SECTION 7. Repeal of Existing Law

Sections 1643, 1850, 1850.1, 1850.2, 1850.3, 1852, 1853, 1853.6, 1853.7, 1857.5, 12900, Article 3 (commencing with Section 1854) of Chapter 9 of Part 2 of Division 1, and Article 5 (commencing with Section 750) of Chapter 1 of Part 2 of Division 1, of the Insurance Code are repealed.

1643. No bank, or bank holding company, subsidiary, or affiliate thereof, or any officer or employee of a bank, bank holding company, subsidiary, or affiliate, may be licensed as an insurance agent or broker or act as an agent or broker for insurance, in this state, or control a licensed insurance agent or broker, except that a bank or a bank holding company subsidiary, or affiliate of a bank, may be issued a license to act as a life and disability agent limited to the transaction of credit life and disability insurance, or an agent limited to the transaction of insurance which is limited solely to assuring repayment of the outstanding balance due on a specific extension of credit by a bank or bank holding company or its subsidiary in the event of the involuntary unemployment of the debtor, or both. A commercial bank may be licensed to sell insurance or act as an insurance broker as provided in Section 1208 of the Financial Code. This section shall not apply to any bank or bank holding company which, under the authorization of the Federal Reserve Board, had prior to January 1, 1976, a subsidiary or affiliate licensed to sell insurance (except that subsequent authorization to expand such activities shall be subject to this section), or to any bank holding company owning a state/chartered bank which had, prior to January 1, 1976, a subsidiary or affiliate licensed to sell insurance. This section shall not apply to any person authorized or licensed to make loans pursuant to Division 7 (commencing with Section 18000), Division 9 (commencing with Section 22000), Division 10 (commencing with Section 24000), or Division 11 (commencing with Section 26000) of the Financial Code.

For the purposes of this section, the following definitions shall apply:

(a) "Bank" means any institution in this state defined in Section 102 of the Financial Code except that such term does not include a title insurance company authorized to transact a trust business under the provisions of Article 4 (commencing with Section 12300) of Chapter 1 of Part 6 of Division 2 or a trust company controlled by or under common control with a title insurance company.

(b) "Bank holding company" means the same as the definition of that term set forth in Section 2 of the federal Bank Holding Company Act of 1956, as amended, but limited to holding companies which control a bank authorized to accept deposits in this state.

(c) "Subsidiary" means any corporation, association, or partnership, owned in whole or part by a bank or bank holding company.

(d) "Affiliate" means any corporation, association, or partnership connected through the ownership of a 10/percent or greater interest by a common parent.

(e) "Credit life, health, and accident insurance" means insurance on the life and health of a borrower from a bank issued to secure the repayment of the amount borrowed.

(f) "Control" means the possession, by any means, of the power to direct or cause the direction of the management or activities of a licensed insurance agent or broker.

1850. The purpose of this chapter is to promote the public welfare by regulating insurance rates as herein provided to the end that they shall not be

excessive, inadequate or unfairly discriminatory, to authorize the existence and operation of qualified rating organizations and advisory organizations and require that specified rating services of such rating organizations be generally available to all admitted insurers, and to authorize cooperation between insurers in rate making and other related matters.

It is the express intent of this chapter to permit and encourage competition between insurers on a sound financial basis and nothing in this chapter is intended to give the Commissioner power to fix and determine a rate level by classification or otherwise.

1850.1. In this chapter "rating organization" means every person, other than an admitted insurer, whether located within or outside this State, who has as his object or purpose the making of rates, rating plans or rating systems. Two or more admitted insurers which act in concert for the purpose of making rates, rating plans or rating systems, and which do not operate within the specific authorizations contained in Sections 1850.5, 1850.7, 1850.8, and Article 5 shall be deemed to be a rating organization. No single insurer shall be deemed to be a rating organization.

1850.2. In this chapter "advisory organization" means every person, other than an admitted insurer, whether located within or outside this State, who prepares policy forms or makes underwriting rules incident to but not including the making of rates, rating plans or rating systems, or which collects and furnishes to admitted insurers or rating organizations loss or expense statistics or other statistical information and data and acts in an advisory, as distinguished from a rate making, capacity. No duly authorized attorney at law acting in the usual course of his profession shall be deemed to be an advisory organization.

1850.3. Unless otherwise apparent from the context, in this chapter:

(a) "Member" means an insurer who participates in or is entitled to participate in the management of a rating, advisory or other organization.

(b) "Subscriber" means an insurer which is furnished at its request (1) with rates and rating manuals by a rating organization of which it is not a member, or (2) with advisory services by an advisory organization of which it is not a member.

1852. The following standards shall apply to the making and use of rates pertaining to all classes of insurance to which the provisions of this chapter are applicable:

(a) Rates shall not be excessive or inadequate, as herein defined; nor shall they be unfairly discriminatory.

No rate shall be held to be excessive unless (1) such rate is unreasonably high for the insurance provided and (2) a reasonable degree of competition does not exist in the area with respect to the classification to which such rate is applicable.

No rate shall be held to be inadequate unless (1) such rate is unreasonably low for the insurance provided and (2) the continued use of such rate endangers the solvency of the insurer using the same, or unless (3) such rate is unreasonably low for the insurance provided and the use of such rate by the insurer using same has, or if continued will have, the effect of destroying competition or creating a monopoly.

(b) Consideration shall be given, to the extent applicable, to past and prospective loss experience within and outside this State, to conflagration and catastrophe hazards, to a reasonable margin for underwriting profit and contingencies, to past and prospective expenses both country-wide and those specially applicable to this State, and to all other factors, including judgment factors, deemed relevant within and outside this State, and in the case of fire insurance

rates, consideration may be given to the experience of the fire insurance business during the most recent five-year period for which such experience is available.

Consideration may also be given in the making and use of rates to dividends, savings or unabsorbed premium deposits allowed or returned by insurers to their policyholders, members or subscribers.

(e) The systems of expense provisions included in the rates for use by any insurer or group of insurers may differ from those of other insurers or groups of insurers to reflect the operating methods of any such insurer or group with respect to any kind of insurance, or with respect to any subdivision or combination thereof.

(d) Risks may be grouped by classifications for the establishment of rates and minimum premiums. Classification rates may be modified to produce rates for individual risks in accordance with rating plans which establish standards for measuring variations in hazards or expense provisions, or both. Such standards may measure any difference among risks that have a probable effect upon losses or expenses. Classifications or modifications of classifications of risks may be established based upon size, expense, management, individual experience, location or dispersion of hazard, or any other reasonable considerations. Such classifications and modifications shall apply to all risks under the same or substantially the same circumstances or conditions.

1853. Subject to and in compliance with the provisions of this chapter authorizing insurers to be members or subscribers of rating or advisory organizations or to engage in joint underwriting or joint reinsurance, two or more insurers may act in concert with each other and with others with respect to any matters pertaining to the making of rates or rating systems, the preparation or making of insurance policy or bond forms, underwriting rules, surveys, inspections and investigations, the furnishing of loss or expense statistics or other information and data, or carrying on of research.

1853.6. Members and subscribers of rating or advisory organizations may use the rates, rating systems, underwriting rules or policy or bond forms of such organizations, either consistently or intermittently, but, except as provided in Sections 1853.5, 1853.8, and Article 5, shall not agree with each other or rating organizations or others to adhere thereto. The fact that two or more admitted insurers, whether or not members or subscribers of a rating or advisory organization, use, either consistently or intermittently, the rates or rating systems made or adopted by a rating organization, or the underwriting rules or policy or bond forms prepared by a rating or advisory organization, shall not be sufficient in itself to support a finding that an agreement to so adhere exists, and may be used only for the purpose of supplementing or explaining direct evidence of the existence of any such agreement.

1853.7. Licensed rating organizations and admitted insurers are authorized to exchange information and experience data with rating organizations and insurers in this and other states and may consult with them with respect to rate-making and the application of rating systems.

1857.5. (a) The commissioner may promulgate reasonable rules and statistical plans, reasonably adapted to each of the rating systems in use within the state, which may be modified from time to time and which shall be used thereafter by each insurer in the recording and reporting of its loss and countrywide expense experience, in order that the experience of all insurers may be made available at least annually in such form and detail as may be necessary to aid him in determining whether rating systems comply with the standards set forth in this chapter. Such rules and plans may also provide for the recording and reporting of

expense experience items which are specially applicable to this state and are not susceptible of determination by a prorating of countrywide expense experience. In promulgating such rules and plans, the commissioner may give due consideration to the rating systems in use and, in order that such rules and plans may be as uniform as is practicable among the several states, to the rules and to the form of the plans used for such rating systems in other states. No insurer shall be required to record or report its loss experience on a classification basis that is inconsistent with the rating system in use by it. The commissioner may designate one or more rating organizations or advisory organizations to assist him in gathering such experience and making compilations thereof, and such compilations shall be made available, subject to reasonable rules promulgated by the commissioner, to insurers and rating organizations.

(b) Reasonable rules and plans may be promulgated by the commissioner for the interchange of data necessary for the application of rating plans.

(c) In order to further uniform administration of rate regulatory laws, the commissioner and every insurer and rating organization may exchange information and experience data with insurance supervisory officials, insurers and rating organizations in other states and may consult with them with respect to ratemaking and the application of rating systems.

12900. The commissioner shall be appointed by the Governor, with the consent of the Senate and shall hold office for a term of four years, coextensive with the term of office of the Governor.

Article 3. Rating Organizations

1851. No rating organization shall conduct its operations in this state without first filing with the commissioner a written application for and securing a license to act as a rating organization. Any rating organization may make application for and obtain a license as a rating organization if it shall meet the requirements for license set forth in this chapter. Every such rating organization shall file with its application (a) a copy of its constitution, its articles of incorporation, agreement or association, and of its bylaws, rules and regulations governing the conduct of its business, all duly certified by the custodian of the originals thereof, (b) a list of its members and subscribers, (c) the name and address of a resident of this state upon whom notices or orders of the commissioner or process affecting such rating organization may be served, and (d) a statement of its qualifications as a rating organization.

The fee for filing an application for license as a rating organization is one hundred seventy-seven dollars (\$177) lawful money of the United States, payable in advance to the commissioner.

1851.1. To obtain and retain a license, a rating organization shall provide satisfactory evidence to the commissioner that it will:

(a) Permit any admitted insurer to become a member of or a subscriber to such rating organization at a reasonable cost and without discrimination, or withdraw therefrom.

(b) Neither have nor adopt any rule or exact any agreement, the effect of which would be to require any member or subscriber as a condition to membership or subscribership, to adhere to its rates, rating plans, rating systems, underwriting rules, or policy or bond forms.

(c) Neither adopt any rule nor exact any agreement the effect of which would be to prohibit or regulate the payment of dividends, savings or unabsorbed premium deposits allowed or returned by insurers to their policy holders, members or subscribers.

(d) Neither practice nor sanction any plan or act of boycott, coercion or intimidation.

(e) Neither enter into nor sanction any contract or act by which any person is restrained from lawfully engaging in the insurance business.

(f) Notify the commissioner promptly of every change in its constitution, its articles of incorporation, agreement or association, and of its by/laws, rules and regulations governing the conduct of its business; its list of members and subscribers; and the name and address of the resident of this State designated by it upon whom notices or orders of the commissioner or process affecting such organization may be served.

(g) Comply with the provisions of Section 1857.

1854.2. The commissioner shall examine each application for license to act as a rating organization and the documents filed therewith and may make such further investigation of the applicant, its affairs and its proposed plan of business, as he deems desirable.

The commissioner shall issue the license applied for within 60 days of its filing with him if from such examination and investigation he is satisfied that:

(a) The business reputation of the applicant and its officers is good.

(b) The facilities of the applicant are adequate to enable it to furnish the services it proposes to furnish.

(c) The applicant and its proposed plan of operation conform to the requirements of this chapter.

Otherwise, but only after hearing upon notice, the commissioner shall in writing deny the application and notify the applicant of his decision and his reasons therefor.

The commissioner may grant an application in part only and issue a license to act as a rating organization for one or more of the classes of insurance or subdivisions thereof or class of risk or a part or combination thereof as are specified in the application if the applicant qualifies for only a portion of the classes applied for.

Licenses issued pursuant to this section shall remain in effect until revoked as provided in this chapter.

1854.25. Notwithstanding the provision of Section 1854.2, each rating organization possessing a license of indefinite term pursuant to such section shall owe and pay to the commissioner an annual fee of one hundred seventy-seven dollars (\$177) in lawful money of the United States in advance on account of such license until its final termination. Such fee shall be for periods commencing on July 1, 1964, and on each July 1st thereafter and ending on June 30, 1965, and each June 30th thereafter, and shall be due and payable on March 1, 1964, and on each March 1st thereafter and shall be delinquent on April 1, 1964, and each April 1st thereafter.

1854.3. Subject to the approval of the commissioner licensed rating organizations may make reasonable rules governing eligibility for membership.

1854.4. If two or more insurers having a common ownership or operating in this State under common management are admitted for the classes or types of insurance for which a rating organization is licensed to make rates, the rating organization may require as a condition to membership or subscribership of one or more that all such insurers shall become members or subscribers.

1854.5. A workers' compensation insurance rating organization licensed pursuant to the provisions of Article 3 (commencing with Section 11750) of Chapter 3 of Part 3 of Division 2 which does not make rates, rating plans or rating systems for insurance covering the liability of employers for compensation or damages

under the United States Longshoremen's and Harbor Workers' Compensation Act (23 U.S.C. 901, et seq.) shall not be required to be licensed as a rating organization or registered as an advisory organization pursuant to the provisions of this chapter and shall have authority under its license as a workers' compensation insurance rating organization to:

(a) Collect and tabulate loss and expense experience statistics and other information and data relating to insurance covering employers against their liability for compensation under the United States Longshoremen's and Harbor Workers' Compensation Act.

(b) Furnish or exchange such information and experience data to or with rating organizations, advisory organizations and insurers in this and other states.

(c) Adopt and enforce compliance by its insurer members with reasonable rules and statistical plans to be used in the recording and reporting by insurer members of their California longshoremen's and harbor workers' insurance loss and expense experience in order that such experience of all of its insurer members shall be available in such form and detail as will be of aid to the commissioner in the enforcement of, and to its insurer members in complying with, the provisions of this chapter.

(d) Engage in the same activities and carry out the same functions with respect to insurance covering the liability of employers for compensation or damages under the United States Longshoremen's and Harbor Workers' Compensation Act that it is authorized to engage in or carry out with respect to California workers' compensation insurance generally under the provisions of Article 3 (commencing with Section 11750) of Chapter 3 of Part 3 of Division 2 other than the making of rates, rating plans and rating systems.

Article 5. Unlawful Rebates, Profits, and Commissions

750. An insurer, insurance agent, broker, or solicitor, personally or by any other party, shall not offer or pay, directly or indirectly, as an inducement to insurance on any subject/matter in this State, any rebate of the whole or part of the premium payable on an insurance contract, or of the agent's or broker's commission thereon, and such rebate is an unlawful rebate.

750.1. The Legislature hereby finds and declares that the continued regulation of the business practices of insurers and their producers is in the interest of the citizens of the state and that the control and limitations of unlawful rebates, profits, and commissions is an essential component of that regulation which is necessary to effectuate an adequate and complete system and regulation of insurer and producer business practices.

The Legislature finds that the statutes controlling unlawful rebates, profits, and commissions continue to provide critical protection to insureds in this state from the numerous consequences that would occur in the absence of such regulation, including company insolvencies, unfair discrimination between insureds with identical risks creating subsidies from small purchasers of insurance in favor of large purchasers of insurance, decreased quality of services to insurance consumers, increased concentration of insurance distribution and sales mechanisms, and misrepresentation and unethical sales practices such as improper replacement or twisting to the detriment of the public.

It is the intent of the Legislature in enacting this section to clearly set forth the legislative intent supporting the enactment, continuing vitality, and importance of the unlawful rebates, profits, and commissions sections of this code.

751. An insurer, or an insurance agent, broker, or solicitor, personally or otherwise, shall not offer or pay, directly or indirectly, as an inducement to enter

into an insurance contract; any valuable consideration which is not clearly specified; promised or provided for in the policy; or application for the insurance; and any such consideration not appearing in the policy is an unlawful rebate.

752. Any person named as the insured in any policy or named as the principal, or obligee, in any surety policy or the agent or representative of any such person who, directly or indirectly, knowingly accepts or receives any unlawful rebate is guilty of a misdemeanor.

753. (a) It is unlawful for any insurance agent or broker, or any insurance solicitor employed thereby, to receive any financial benefit from an automobile repair facility or any other form of direct or indirect consideration from any person for referring insureds to that person or that person's designee for vehicle repairs covered under automobile comprehensive coverage, property damage coverage, or automobile collision coverage, of an insurance policy issued through the insurance agent or broker or by an insurer represented by the insurance agent.

(b) Subdivision (a) applies with respect to commercial and noncommercial policies of automobile insurance.

(c) For purposes of this section, "financial benefit" means the receiving of any commission or gratuity, discount on repair costs, free repairs, or employment by a repair facility.

754. Payments of commissions or fees by insurers or their agents to insurance brokers, when otherwise lawful under this code, are expressly authorized.

755. The paying or allowing of any commission or other valuable consideration on insurance business in this State to other than an admitted insurer or a licensed insurance agent, broker or solicitor is an unlawful rebate.

755.2. If at the time of the solicitation and issuance of a policy of life or disability insurance, or of a surety bond which by its terms continues until canceled, a person may lawfully receive commissions thereon, such person, or in the event of his death, his estate or heirs may continue to receive commissions thereon during the continuance in force or renewal of such policy or bond without being licensed under the provisions of Chapter 5, Part 2, Division 1 of this code, provided:

(a) Such recipient does not transact insurance in connection with such policy or bond while not so licensed; and

(b) The payment is made pursuant to a contract entered into, before such solicitation and issuance, between the insurer paying or allowing the commission and such person.

755.5. It is unlawful for an insurance agent who is not also licensed as an insurance broker to receive commissions derived from insurance placed with an insurer which has not appointed him to act as its agent in the transaction of such insurance.

It is unlawful for an insurance solicitor to receive commissions on insurance from any source other than the employer for whom he is licensed excepting on life or disability insurance transacted by him under individual licenses as life or disability agent issued to him pursuant to this code.

It is unlawful for any person to pay to an insurance agent or solicitor any commissions which he can not lawfully receive.

Except as provided in Section 763 it is unlawful for an insurer to receive for its own use commissions on insurance placed with another insurer.

755.6. Notwithstanding the provisions of Section 755.5, an insurer participating in any Assigned Risk Plan, as provided for in Article 4 (commencing with Section 11620), Chapter 1, Part 2, Division 2 of the Insurance Code, may pay to a licensed

insurance agent; and such agent may receive, a commission or consideration on any automobile or liability coverages written in addition to any commission or consideration required under such plan if such agent has been designated by the applicant for insurance as producer of record for the coverages required under such plan.

755.7. Any person, including but not limited to any person licensed, certified under this code or exempted under this code from regulation, who for consideration advises, or agrees to advise, any person concerning insurance, insurance policies, insurance needs or insurance programs of any sort and who agrees to, or does, allow credit against such consideration for such services for any portion of any insurance commission which may accrue, directly or indirectly, to such person who so advises or agrees to advise, is guilty of making an unlawful rebate and guilty of a misdemeanor.

756. When the premium on a policy insuring an employer is based upon the amount or segregation of the employer's pay roll, and the employer, personally or knowingly through his employee, procures a lower premium by wilfully misrepresenting the amount or segregation, such misrepresentation is an unlawful rebate as to the employer.

In addition to any penalty provided by law for unlawful rebates, the employer in such case is liable to the State in an amount ten times the difference between the lower premium paid and the premium properly payable. The commissioner shall collect the amount so payable and may bring a civil action in his name as commissioner to enforce collection unless the misrepresentation is made to and lower premium procured from the State Compensation Insurance Fund. In the latter case the liability to the State under this section shall be enforced in a civil action in the name of the State Compensation Insurance Fund and any amount so collected shall become a part of that fund.

757. When a statement of the amount or segregation of a pay roll is materially false, and an insurer, through a person employed by it in a managerial capacity, accepts the statement as the basis for the premium on a policy, the acceptance is an unlawful rebate if the accepting employee knows of the falsity.

758. Every insurer shall exercise reasonable diligence in securing the observance of this article by its agents.

759. It is unlawful for any insurer to appoint an agent for the purpose of enabling such agent, or the employer or person requesting the appointment of the agent, to obtain insurance at a cost less than that specified in the policy, or at a cost less than that specified in the application therefor.

760. As used in this section "personal or controlled insurance" means insurance covering an insurance agent, broker, or solicitor, or

(a) His spouse, his employer or his employer's spouse.

(b) Any person related to him or the persons mentioned in subdivision (a) within the second degree by blood or marriage.

(c) If his employer is a corporation, any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in such corporation.

(d) If his employer is a partnership or association, any person owning any interest in such partnership or association.

(e) If the agent or broker is a corporation, any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in the agent or broker and any corporation which is also similarly directly or indirectly controlled by the person who directly or indirectly controls the agent or broker.

(f) If the agent or broker is a corporation, any corporation making consolidated returns for United States income tax purposes with any corporation described in subdivision (e).

If premiums on personal or controlled insurance transacted by an insurance agent, broker, or solicitor payable in one year exceed the premiums on other insurance transacted by such licensee payable in the same year, the receipt of commissions upon the excess is an unlawful rebate.

Provided that during and after the sixth calendar year following the initial licensing of such agent, broker, or solicitor, in any manner as an agent, broker or solicitor, whether continuously licensed or not, if premiums on personal or controlled insurance transacted by him payable in any one such calendar year exceed 33 $\frac{1}{3}$ percent of the other premiums transacted by him payable in the same calendar year, the receipt of commissions upon the excess over such 33 $\frac{1}{3}$ percent is an unlawful rebate. For the purposes of this paragraph, if the agent or broker be an organization the sixth calendar year shall be the first calendar year beginning five years or more after the initial licensing of the organization, or any predecessor thereof, as an agent or broker.

Provided further, that this section does not apply to an individual licensee who: (1) is licensed during all of such calendar year as a solicitor, or individually as an agent or broker; (2) during such calendar year conducts an individual business, not being named to transact on any organization license nor owning any interest in any corporation or partnership transacting an insurance agency or brokerage business; (3) has been continuously licensed in some manner as an active agent, broker or solicitor for at least 25 years; and (4) is at least 65 years of age at the beginning of the calendar year.

Whenever an officer or director of a corporation acts as agent, broker, or solicitor in the transaction of insurance covering the corporation, he shall be conclusively presumed to have received the full commission on such contract while an employee of the corporation. Whenever the remuneration for services of an employee is decreased by the employer or is made unreasonably small in amount but the employee is permitted, as an insurance agent, broker, or solicitor, to transact personal or controlled insurance, it shall be conclusively presumed that such employee receives the full amount of commission on such personal or controlled insurance.

"Year" as used in this section means the calendar year. Suspension, revocation or denial of license for violation of this section may be ordered at any time within five years after the close of the year in which the violation occurred.

760.5. As used in this section "personal or controlled insurance" means insurance covering a life agent, or

(a) His spouse, his employer, his employer's spouse, or any group of employees under a group policy issued to his employer.

(b) Any person related to him, his spouse, his employer or his employer's spouse within the second degree by blood or marriage.

(c) If his employer is a corporation, any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in such corporation.

(d) If his employer is a partnership or association, any person owning any interest in such partnership or association.

(e) If the agent is a corporation, any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in the agent.

If commissions on personal or controlled insurance transacted by a life agent under his license as a life agent received in one year exceed the commissions

received in that year on other insurance transacted by such licensee under his license as life agent; the receipt of commissions upon personal or controlled insurance in excess of those on such other insurance is an unlawful rebate.

Provided that during and after the sixth calendar year following the initial licensing of such life agent in any manner as a life agent, disability agent or life and disability agent; whether continuously licensed or not; if commissions on personal or controlled insurance transacted by him under any or all such licenses received in any such calendar year exceed 23½ percent of the commissions received in the same calendar year on other insurance transacted by him under any or all such licenses; the receipt of commissions upon personal or controlled insurance in excess of 23½ percent of those on such other insurance is an unlawful rebate. For the purposes of this paragraph; if the license be a joint firm license: The sixth calendar year as respects the firm shall be the first calendar year beginning five years or more after the initial licensing of the firm or any predecessor thereof as a joint firm licensee with any individual; the firm may be charged with a violation of this section separately based upon all joint firm licenses it may have held during the calendar year; and an individual named on one or more joint firm licenses may be charged with a violation of this section separately based upon all life licenses, individual and joint firm; he may have held during the calendar year.

Provided, further; that this section does not apply to an individual licensee who: (1) is licensed during all of such calendar year under one or more kinds of individual life licenses; (2) during all of such calendar year conducts an individual business; not being named in any joint firm license nor owning any interest in a corporation or partnership transacting business under any kind of life license; (3) has been continuously licensed in some manner as an active agent under some kind of life license for at least 25 years; and (4) is at least 65 years of age at the beginning of the calendar year.

"Year" as used in this section means the calendar year. Suspension, revocation or denial of license for violation of this section may be ordered at any time within five years after the close of the year in which the violation occurred.

761. Any insurer; insurance agent; broker; solicitor; or life agent and any officer or employee of an insurer; insurance agent; broker; or life agent that makes or receives an unlawful rebate is guilty of a misdemeanor.

762. The following acts are not unlawful rebates:

(a) The return by an insurer issuing policies on a participating plan; or any portion of the premium as a dividend after the expiration of the term covered by such policy.

(b) The payment of commission by any insurer; or insurance agent; broker or solicitor; to another insurer; or insurance agent; broker or solicitor; upon insurance lawfully transacted in that capacity.

(c) The allowance by any marine insurer; or marine insurance agent; broker; or solicitor to any insured; of such usual discount as is sanctioned by custom among marine insurers as being additional to the agent's or broker's commission.

(d) The paying by an insurer to another insurer; or to an insurance agent; broker; or solicitor; of a commission in respect to a policy under which the payee is insured; or the receiving by such payee of such commission.

(e) The paying by an insurer of bonuses to policyholders on nonparticipating life insurance or otherwise abating their premiums; in whole or in part; out of surplus accumulated from nonparticipating insurance.

(f) The return as a dividend by a life insurer of any portion of the premium on policies issued on a participating plan at any time.

(g) The return, by an insurer transacting industrial insurance on a weekly payment plan, to policyholders who have made premium payments for a period of at least one year directly to the insurer at its home or district office, of a percentage of the premium which the insurer would have paid for the weekly collection of such premiums.

(h) The paying by any life insurer, or the receiving by life insurance policyholders of special compensations; or the allowing and receiving of credits already agreed upon in life insurance contracts now in force.

(i) The payment by an insurer of any portion of life insurance premiums payable by its employees pursuant to a life insurance program under which 75 per cent or more of its employees are required to carry life insurance on their lives so long as they remain in the employment of insurer.

(j) The payment or allowance of a fee or commission by one surety insurer to another surety insurer in respect to a risk on which both are co-sureties.

763.5. The sale of the good will, business, list of policyholders or similar assets of an agent or broker in consideration of commissions or portions thereof to be thereafter earned by the use of such assets and payments of such consideration are not unlawful rebates if the purchaser is duly licensed to transact insurance and the receipt of the commissions would not constitute a violation of Section 760 if the person receiving them were licensed as an insurance agent.

764. Any person may be compelled to testify or produce evidence at the trial or hearing on a charge of violating a provision of this article, even though such testimony or evidence may incriminate him. A prosecution shall not be brought or maintained against such person for any act concerning which he thus testifies or produces evidence, except for perjury committed in so testifying.

765. If an insurer knowingly violates any provisions of this article, or knowingly permits any officer, agent, or employee so to do, the commissioner, after a hearing in accordance with the procedure provided in Section 704, may suspend the insurer's certificate of authority to do the class of insurance in which the violation of this article occurred.

766. If an insurance agent, broker, or solicitor knowingly and wilfully violates any of the provisions of this article, the commissioner, after a hearing in accordance with the procedure provided in Article 13 of Chapter 5 of this part may suspend or revoke the violator's license.

767. Notwithstanding any provision in this article to the contrary, it shall not be unlawful for any licensed insurance broker to pay a commission to an agent or broker licensed under the laws of Mexico when such agent or broker in Mexico refers to the insurance broker licensed in this state a resident of Mexico who wishes to obtain a policy of automobile liability insurance to be effective in this state from an insurer licensed in this state, and such broker negotiates and effects such a policy of insurance for such resident of Mexico.

SECTION 8. Technical Matters

(a) *This act shall be liberally construed and applied in order to fully promote its underlying purposes.*

(b) *The provisions of this act shall not be amended by the Legislature except to further its purposes by a statute passed in each house by roll call vote entered in the journal, two-thirds of the membership concurring, or by a statute that becomes effective only when approved by the electorate.*

(c) *If any provision of this act or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.*

Number
on ballot

105. Disclosures to Consumers, Voters, Investors.

[Submitted by the initiative and approved by electors November 8, 1988.]

PROPOSED LAW

PUBLIC'S RIGHT TO KNOW ACT

SECTION 1. The people of California find that the lack of truth in advertising strongly reduces the public's right to accurate information, resulting in harm to their health and finances. The public's right to know this information will help consumers to make good decisions on the vital matters addressed in this initiative:

- Household toxic products
- Fraudulent health insurance sales to senior citizens
- Nursing home abuses, which deprive seniors of the right to safety and dignity that they have earned
- The true sources of campaign funds for initiatives
- Disclosure of business dealings with apartheid South Africa

The people therefore declare their rights as consumers to make informed, intelligent decisions in these important areas, free from fraud or deceit.

The people hereby enact the provisions of this initiative in furtherance of these rights.

SECTION 2. Article 10 (commencing with Section 66799) is added to Chapter 3 of Title 7.3 of the Government Code, to read:

Article 10. Household Toxic Products Disclosure

66799. (a) *Any business which advertises a household toxic product intended for use by the general public shall provide clear and reasonable warning that the product should not be placed in the trash unless completely empty, or poured down the drain.*

(b) *"Advertises" means mass-media advertisements such as electronic media, print, outdoor, and direct mail, but not including posters or displays in a retail store.*

(c) *"Clear and reasonable warning" may be provided by general methods such as labels on household toxic products, posting of notices, placing notices in public news media, and similar methods. The warning may refer to the specific product, or to household toxic products in general. The warning shall notify consumers that they may call the Department of Health Service's toll-free number for information about proper disposal of household toxic products, and shall state the number.*

66799.1. *This section shall not apply to household use pesticides subject to storage and labelling requirements pursuant to the Food and Agricultural Code or the Federal Insecticide, Fungicide, and Rodenticide Act.*

66799.2. *Small or incidental advertisers of household toxic products are exempt from this Article provided that any advertiser with an annual California advertising budget for household toxic products of fifty thousand dollars (\$50,000.00) or more shall not be exempted.*

66799.3. *The Department of Health Services shall issue regulations to implement this Article, including but not limited to defining "household toxic products" (Section 66799), defining the nature and quantity of warnings required (Section 66799(c)) and defining small advertisers (Section 66799.2).*

66799.4. *The remedies for violations of this Article are as provided in Government Code Section 12269.*

SECTION 3. Sections 10195.1–10195.8 are added to the Insurance Code, to read:

Seniors Health Insurance Disclosure

10195.1. *“Insurance policies to supplement Medicare” refers to disability insurance policies and nonprofit hospital service plan contracts which are designed primarily to supplement Medicare and which are issued on a group or individual basis.*

10195.2. *Public advertisements for insurance policies to supplement Medicare that contain the name of an organization that resembles a government agency, nonprofit or charitable institution, or seniors organization shall contain the following notice, if applicable: “_____ (name of organization) is or is associated with a business which sells insurance.”*

10195.3. *All insurance policies to supplement Medicare shall contain the following notice on the cover page of the outline of coverage: “Caution: This policy may include coverage that totally or partly duplicates your other Medicare supplemental insurance coverage.”*

10195.4. *All insurance policies to supplement Medicare shall disclose on the cover page of the outline of coverage whether the coverage offered is “extensive”, “moderate”, or “limited.” The Insurance Commissioner shall issue regulations setting minimum standards for which types of policies are “extensive”, “moderate”, or “limited.”*

10195.5. *All insurance policies to supplement Medicare shall disclose on the cover page of the outline of coverage the loss ratio of the policy during the preceding year.*

10195.6. *All insurance policies to supplement Medicare shall disclose on the cover page of the outline of coverage that consumers may call the Department of Insurance’s toll-free number for information about buying insurance policies to supplement Medicare, and shall state the number.*

10195.7. *The Insurance Commissioner shall issue regulations to implement this Section.*

10195.8. *The remedies for violation of this Section are as provided in Government Code Section 12269.*

SECTION 4. Chapter 3.95 (commencing with Section 1599.85) is added to Division 2 of the Health and Safety Code, to read:

CHAPTER 3.95. SENIORS NURSING HOME DISCLOSURE

1599.85. *Long-term health care facilities must prominently and clearly display the following notice on all contracts of admission, and all advertisements used to solicit consumers to enter into contracts of admission: “For more information about our facility, you may call the State Ombudsman’s Office at (insert toll-free number).”*

1599.86. *“Contract of admission,” as used in this chapter, includes all documents which a resident or his or her representative must sign at the time of, or as a condition of, admission to a long-term care health facility as defined in Health and Safety Code Section 1326.*

1599.87. *The Department of Health Services (the Department) shall compile a list of approximately twenty five % (25%) of the long-term health care facilities with the most serious records of violations of laws or regulations by virtue of proven or admitted Class AA and Class A citations. Those facilities on this list*

shall include this statement on all contracts of admission, and all advertisements used to solicit consumers to enter into contracts of admission: "This facility's record of citations is posted at the facility, and a copy may be obtained from the Department of Health Services."

1599.88. The Department shall issue regulations to implement this Chapter, including permitting one disclosure to satisfy the requirements of Section 1599.85 for all advertisements on the same page.

1599.89. The remedies for violations of this Chapter are as provided in Government Code Section 12269.

SECTION 5. Article 5 (commencing with Section 84501) is added to Chapter 4 of Title 9 of the Government Code, to read:

Article 5. Truth in Initiative Advertising

84501. "Initiative" means a qualified statewide initiative measure or a qualified statewide referendum measure.

84502. "Committee" means any committee, as defined in Section 82013 of the Government Code, which has made expenditures of fifty thousand dollars (\$50,000) or more, in support of, or in opposition to, an initiative.

84503. "Advertisement" means any general or public advertisement which is authorized and paid for by a committee for the purpose of supporting or opposing an initiative. "Advertisement" does not include a communication from an organization to its members.

84504. "Industry" means those individuals and persons who derive economic benefit from the manufacture, sale, or distribution of a like or similar product, commodity, or service, including but not limited to professional services.

84505. "Person" means any individual, business, and any other organization or group of persons acting in concert.

84506. "Contributions" means the cumulative contributions of a committee for the period beginning with January 1 of the year prior to the year during which the initiative is to be voted upon and ending with the closing date for the campaign finance disclosure report whose filing deadline precedes the dissemination to the public of an advertisement by seven days or more. A committee may optionally compute its contributions using only items required to be individually itemized on State campaign finance disclosure reports.

84507. Any advertisement authorized by a committee shall include a statement that each of the following, where applicable, is a major funding source:

(a) Any industry which is both the largest industry contributor to the committee and whose combined contributions to the committee are five hundred thousand dollars (\$500,000) or more, or are fifty thousand dollars (\$50,000) or more and constitute 25 percent or more of all contributions.

(b) A person whose contributions to the committee are one hundred thousand dollars (\$100,000) or more and who is the largest contributor.

(c) Corporations as a group when their combined contributions to the committee are one hundred thousand dollars (\$100,000) or more and constitute 50 percent or more of all contributions, and unions as a group when their combined contributions to the committee are one hundred thousand dollars (\$100,000) or more, and constitute 50 percent or more of all contributions.

(d) Out-of-state contributors as a group, when their combined contributions to the committee are one hundred thousand dollars (\$100,000) or more, and constitute 50% or more of all contributions.

84508. *If there are more than two major funding sources, the committee is only required to disclose the first two applicable funding sources, in the order they are listed in in Section 84507.*

84509. *Any disclosure statement required by this chapter shall be printed clearly and legibly in a conspicuous manner, or, if the communication is broadcast, the information shall be spoken.*

84510. *If disclosure of two funding sources is required by Section 84507, the committee is only required to disclose one funding source on any advertisement which is:*

- (a) an electronic broadcast advertisement of less than 25 seconds, or*
- (b) a newspaper, magazine, or other public print media advertisement which is less than 25 square inches.*

84511. *A committee may file an amended campaign finance disclosure report with the Secretary of State at any time, and may then change some or all of its advertisements to reflect the changed disclosure information.*

84512. *This chapter shall only apply to advertisements the contents of which are more than 50 percent devoted to one initiative.*

84513. *The Fair Political Practices Commission (the Commission) shall issue regulations to implement this Article.*

84514. *The sole remedy for violation of this Article is that any person who violates this Article is liable in a civil action brought by the Commission, or by any person, for a fine of three times the cost of the advertisement, including placement costs.*

SECTION 6. Article 6 (commencing with Section 12261) is added to Chapter 3 of Part 2 of Division 3 of Title 2 of the Government Code, to read:

Article 6. Anti-Apartheid Disclosure

12261. (a) *"Commonly owned corporation." A subsidiary corporation is a "commonly owned corporation" in its relation to any other corporation which is owned by the same parent corporation.*

(b) *"Corporation selling stocks" means any corporation or financial institution selling stocks or securities which is required by law to issue a prospectus or similar informational statement to the buyer.*

(c) *"Parent corporation" means a corporation which has power either directly or indirectly or through another corporation or series of corporations to elect a majority of the directors of another corporation.*

(d) *"Subsidiary corporation" means a corporation which is subject to a parent corporation which has power either directly or indirectly or through another corporation or series of other corporations to elect a majority of its directors.*

12262. *All corporations selling stocks in California must disclose on the prospectus, for each of the following categories, whether or not the following are doing business in South Africa or with any person or group located in South Africa:*

- (a) The corporation.*
- (b) One or more of the corporation's parent corporations or subsidiary corporations.*
- (c) One or more of the corporation's commonly owned corporations.*

12263. *All disclosures pursuant to Section 12262 shall indicate that the information is only accurate when the prospectus was written, that the buyer may contact the Secretary of State for updated information, and shall give the Secretary of State's address and phone number.*

12264. All corporations shall, prior to selling stock in California, file a copy of the notice required by Section 12262 with the Secretary of State.

12265. Changes in status for any of the categories listed in Section 12262 shall be reported within 30 days to the Secretary of State.

12266. The Secretary of State shall adopt regulations to implement this section, including regulations governing the form in which the disclosures required by this article shall be made and the manner in which the Secretary of State shall make available the information acquired pursuant to this article.

12267. The remedies for violations of this Article are as provided in Government Code Section 12269.

SECTION 7. Section 12269 is added to the Government Code, to read:

12269. The sole remedies for violations of the following provisions of this Act shall be fines of ten thousand dollars (\$10,000.00) for each advertisement, contract or prospectus which violates this Act. The provisions are: Article 10 (commencing with Section 66799) of Chapter 3 of Title 7.3 of the Government Code; Sections 10195.1-10195.8 of the Insurance Code; Chapter 3.95 (commencing with Section 1599.85) of Division 2 of the Health and Safety Code; and Article 6 (commencing with Section 12261) of Chapter 3 of Part 2 of Division 3 of Title 2 of the Government Code. For purposes of this Act, multiple copies of the same advertisement, contract or prospectus shall count as one violation. Any person may bring an action in Superior Court to impose any fine pursuant to this Act. Fines shall be deposited to the General Fund of the State.

SECTION 8. If any provision of this Act or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 9. Nothing in this Act shall alter or diminish any legal obligation otherwise required in common law or by statute or regulation. Fines imposed under this Act shall be in addition to any penalties or sanctions otherwise prescribed by law. The disclosures required by this Act shall be without prejudice to the enactment of statutes or adoption of regulations to provide for additional disclosures.

SECTION 10. To further its purposes, this initiative may be amended by statute, passed in each house by a two-thirds vote.

SECTION 11. This Act shall take effect upon adoption by the people, but the substantive provisions shall not become operative until January 1 of the second year following passage of this Act. The administrative agencies shall adopt the regulations specified by this Act as soon as is reasonably possible, but in no event later than the operative date of this Act.

BOND ACTS SUBMITTED BY LEGISLATURE

*Number
on ballot*

78. Higher Education Facilities Bond Act of 1988. (Statutes 1988, Chapter 44, SB 703)
[Approved by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. Chapter 14.3 (commencing with Section 67330) is added to Part 40 of the Education Code, to read:

CHAPTER 14.3. HIGHER EDUCATION FACILITIES BOND ACT OF 1988

Article 1. General Provisions

67330. This chapter shall be known and may be cited as the Higher Education Facilities Bond Act of 1988.

67331. The Legislature finds and declares all of the following:

(a) California's economic and social prosperity relies on a higher education system that keeps pace with California's growth. In the coming decades, the state's economic prosperity will depend on increasing the productivity of the work force and on the ability to compete successfully in the world marketplace.

(b) The system of public higher education in this state includes the University of California, the California State University, the California community colleges, and the California Maritime Academy. Each of these institutions plays a vital role in maintaining California's dominance in higher education in the United States.

(c) Over the last several years, studies have been completed by the University of California, the California State University, and the California community colleges to assess their long-term and short-term capital needs, which studies demonstrate that these needs total, in the aggregate, several billion dollars.

(d) The purpose of the Higher Education Facilities Bond Act of 1988 is to assist in meeting the capital outlay financing needs of California's public higher education system.

67332. As used in this chapter, the following terms have the following meanings:

(a) "Committee" means the Higher Education Facilities Finance Committee created pursuant to Section 67353.

(b) "Fund" means the 1988 Higher Education Capital Outlay Bond Fund created pursuant to Section 67333.

Article 2. Higher Education Facilities Bond Act Program

67333. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the 1988 Higher Education Capital Outlay Bond Fund, which is hereby created.

67334. (a) The committee shall be and is hereby authorized to create a debt or debts, liability or liabilities, of the State of California pursuant to this chapter for the purpose of funding aid to the University of California, the California State University, the California community colleges, and the California Maritime Academy for the construction, including the construction of buildings and the acquisition of related fixtures, renovation, and reconstruction of facilities, for the acquisition of sites upon which these facilities are to be constructed, for the

equipping of new, renovated, or reconstructed facilities, and to provide funds for payment of preconstruction costs, including, but not limited to, preliminary plans and working drawings.

(b) Moneys made available under Section 67340 or 67342 may be used to provide short-term loans to community colleges for the purchase of instructional equipment. Those loans shall be repaid from the first moneys available in the Capital Outlay Fund for Public Higher Education beginning in the 1989-90 fiscal year, or from proceeds of the bonds.

Article 3. Fiscal Provisions

67335. (a) Bonds in the total amount of six hundred million dollars (\$600,000,000), not including the amount of any refunding bonds issued in accordance with Section 67343, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) Pursuant to this section, the Treasurer shall sell the bonds authorized by the committee at such different times as necessary to service expenditures required by the apportionments.

67336. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter. For purposes of the State General Obligation Bond Law, the State Public Works Board is designated the "board."

67337. The committee shall authorize the issuance of bonds under this chapter only to the extent necessary to fund the apportionments that are expressly authorized by the Legislature in the annual Budget Act. Pursuant to that legislative direction, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in Section 67334 and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

67338. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which is necessary to collect that additional sum.

67339. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out the provisions of Section 67340, appropriated without regard to fiscal years.

67340. *For the purposes of carrying out this chapter, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund, together with interest at the rate paid on moneys in the Pooled Money Investment Account, from money received from the sale of bonds for the purpose of carrying out this chapter.*

67341. *All money deposited in the fund that is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.*

67342. *The board may request the Pooled Money Investment Board for a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, and may execute those documents required by the Pooled Money Investment Board to obtain and repay the loan. The loan shall be deposited in the fund for the purpose of carrying out the provisions of this chapter. The amount of the loan shall not exceed the amount of the unsold bonds that the committee, by resolution, has authorized to be sold for the purposes of this chapter.*

67343. *Any bonds issued and sold pursuant to this chapter may be refunded by the issuance and sale or exchange of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. The approval by the electors of this state of the issuance and sale of bonds under this chapter includes approval of the issuance and sale or exchange of any bonds issued to refund either those bonds or any previously issued refunding bonds.*

*Number
on ballot*

79. **1988 School Facilities Bond Act.** (Statutes 1988, Chapter 42, SB 22)

[Approved by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. Chapter 21.9 (commencing with Section 17698) is added to Part 10 of the Education Code, to read:

CHAPTER 21.9. 1988 SCHOOL FACILITIES BOND ACT

17698. *This chapter may be cited as the 1988 School Facilities Bond Act.*

17698.10. *The State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this chapter, and the provisions of that law are included in this chapter as though set out in full in this chapter. All references in this chapter to "herein" shall be deemed to refer to both to this chapter and that law.*

17698.15. *As used in this chapter, and for the purposes of this chapter as used in the State General Obligation Bond Law, the following words shall have the following meanings:*

(a) "Committee" means the State School Building Finance Committee created by Section 15909.

(b) "Board" means the State Allocation Board.

(c) "Fund" means the State School Building Lease-Purchase Fund.

17698.20. For the purpose of creating a fund to provide aid to school districts of the state in accordance with the provisions of the Leroy F. Greene State School Building Lease-Purchase Law of 1976 (Chapter 22 (commencing with Section 17700)), the purposes authorized under Section 17698.96, and of all acts amendatory thereof and supplementary thereto, and to provide funds to repay any money advanced or loaned to the State School Building Lease-Purchase Fund under any act of the Legislature, together with interest provided for in that act, and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code, the committee shall be and is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of eight hundred million dollars (\$800,000,000), not including the amount of any refunding bonds issued in accordance with Section 17698.93, in the manner provided herein, but not in excess thereof.

17698.25. All bonds herein authorized, which shall have been duly sold and delivered as herein provided, shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereof.

There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum, in addition to the ordinary revenues of the state, as shall be required to pay the principal and interest on the bonds as herein provided, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of the revenue, to do and perform each and every act which shall be necessary to collect the additional sum.

On the several dates of maturity of the principal and interest in each fiscal year, there shall be transferred to the General Fund in the State Treasury, all of the money in the fund exclusive of funds transferred pursuant to subdivision (f) of Section 6217 of the Public Resources Code, not in excess of the principal of and interest on the bonds then due and payable, except as herein provided for the prior redemption of the bonds, and, in the event the money so returned on the dates of maturity is less than the principal and interest then due and payable, then the balance remaining unpaid shall be returned to the General Fund in the State Treasury out of the fund as soon thereafter as it shall become available.

17698.30. All money deposited in the fund under Section 17732 and pursuant to Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code shall be available only for transfer to the General Fund, as provided in Section 17698.25. When transferred to the General Fund, the money shall be applied as a reimbursement of the General Fund on account of principal and interest due and payable or paid from the General Fund on the earliest issue of school building bonds for which the General Fund has not been fully reimbursed by the transfer of funds.

17698.35. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter, an amount that will equal the following:

(a) The sum annually as will be necessary to pay the principal of and the interest on the bonds issued and sold pursuant to the provisions of this chapter, as the principal and interest become due and payable.

(b) The sum as is necessary to carry out Section 17698.40, which sum is appropriated without regard to fiscal years.

17698.40. For the purposes of carrying out the provisions of this chapter, the Director of Finance may, by written order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund to be allocated by the board in accordance with this chapter. Any moneys made available under this section to the board shall be returned by the board to the General Fund, together with interest at the rate paid on moneys in the Pooled Money Investment Account, for moneys received from the sale of bonds sold for the purpose of carrying out this chapter.

17698.50. Upon request of the board from time to time, supported by a statement of the apportionments made and to be made under Chapter 22 (commencing with Section 17700), the committee shall determine whether or not it is necessary or desirable to issue any bonds authorized under this chapter in order to fund the apportionments, and, if so, the amount of bonds to be issued and sold. The entire amount authorized by this chapter shall become available for apportionment on December 1, 1988. The Treasurer shall sell the bonds so determined at such different times as necessary to service expenditures required by the apportionments.

17698.55. The board may request the Pooled Money Investment Board for a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, and may execute those documents required by the Pooled Money Investment Board to obtain and repay the loan. The loan shall be deposited in the fund for the purpose of carrying out the provisions of this chapter. The amount of the loan shall not exceed the amount of the unsold bonds that the committee, by resolution, has authorized to be sold for the purposes of this chapter.

17698.60. In computing the net interest cost under Section 16754 of the Government Code, interest shall be computed from the date of the bonds or the last preceding interest payment date, whichever is latest, to the respective maturity dates of the bonds then offered for sale at the coupon rate or rates specified in the bid, the computation to be made on a 360-day-year basis.

17698.70. The committee may authorize the Treasurer to sell all or any part of the bonds herein authorized at such time or times as may be fixed by the Treasurer.

17698.80 All proceeds from the sale of the bonds herein authorized deposited in the fund, as provided in Section 16757 of the Government Code, except those derived from premium and accrued interest, shall be available for the purpose herein provided, but shall not be available for transfer to the General Fund pursuant to Section 17698.25 to pay principal and interest on bonds.

17698.90. With respect to the proceeds of bonds authorized by this chapter, all provisions of Chapter 22 (commencing with Section 17700) shall apply.

17698.93 Any bonds issued and sold pursuant to this chapter may be refunded by the issuance and sale or exchange of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. The approval by the electors of this state of the issuance and sale of bonds under this chapter includes approval of the issuance and sale or exchange of any bonds issued to refund either those bonds or any previously issued refunding bonds.

17698.95. *Out of the first money realized from the sale of bonds under this chapter, there shall be repaid any moneys advanced or loaned to the State School Building Lease-Purchase Fund under any act of the Legislature, together with interest provided for in that act.*

17698.96. (a) *Of the proceeds from the sale of bonds pursuant to this chapter:*

(1) *Not more than one hundred million dollars (\$100,000,000) may be used for the reconstruction or modernization of facilities within the meaning of Chapter 22 (commencing with Section 17700).*

(2) *Not more than twenty million dollars (\$20,000,000) may be used for the purchase and installation of air-conditioning equipment and insulation materials pursuant to Section 42250.1.*

(3) *Not more than one hundred million dollars (\$100,000,000) may be used for the identification, assessment, and abatement of hazardous asbestos in school facilities.*

(b) *Notwithstanding subdivision (a), in the event the board determines at any time that the maximum amount made available pursuant to any of the paragraphs in that subdivision exceeds the amount necessary to fund the qualified recipients of the apportionment authorized under that paragraph, the board may expend any portion of that excess for the construction of new school facilities pursuant to Chapter 22 (commencing with Section 17700) or for any one or more of the purposes described in subdivision (a).*

*Number
on ballot*

80. *New Prison Construction Bond Act of 1988.* (Statutes 1988, Chapter 43, SB 468, as amended by Statutes 1988, Chapter 386, SB 406)

[Approved by electors November 8, 1988]

PROPOSED LAW

SEC. 2. Chapter 15 (commencing with Section 7400) is added to Title 7 of Part 3 of the Penal Code, to read:

CHAPTER 15. NEW PRISON CONSTRUCTION BOND ACT OF 1988

7400. *This chapter shall be known and may be cited as the New Prison Construction Bond Act of 1988.*

7401. *The State General Obligation Bond Law is adopted for the purpose of the issuance, sale and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this chapter, and the provisions of that law are included in this chapter as though set out in full in this chapter except that, notwithstanding anything in the State General Obligation Bond Law, the maximum maturity of the bonds shall not exceed 20 years from the date of each respective series. The maturity of each respective series shall be calculated from the date of that series.*

7402. *There is in the State Treasury the 1988 Prison Construction Fund, which fund is hereby created. The proceeds of the sale of bonds authorized by this act shall be deposited in the fund, and may be transferred upon request of the Department of Corrections and upon approval of the Director of Finance, to the New Prison Construction Fund established by Section 7102, the 1984 Prison Construction Fund established by Section 7202, or the 1986 Prison Construction Fund established by Section 7302, or any combination thereof. If the moneys are so transferred, "fund" means the New Prison Construction Fund, 1984 Prison Construction Fund, or 1986 Prison Construction Fund, or any combination*

thereof, as is appropriate. At least 30 days prior to requesting a transfer as authorized by this section, the Department of Corrections shall notify the chairpersons of the fiscal committees in each house of the Legislature, and the Chairperson and the Vice Chairperson of the Joint Legislative Budget Committee.

7403. The 1988 Prison Construction Committee is hereby created. The committee shall consist of the Controller, the Treasurer, and the Director of Finance. That committee shall be the "committee," as that term is used in the State General Obligation Bond Law.

The Department of Corrections is the "board" for the purpose of the State General Obligation Bond Law and this chapter.

7404. The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate principal amount of eight hundred seventeen million dollars (\$817,000,000), exclusive of refunding bonds, in the manner provided in this chapter. That debt or debts, liability or liabilities, shall be created for the purpose of providing the fund to be used for the object and work specified in Section 7406.

7405. The committee may determine whether or not it is necessary or desirable to issue any bonds authorized under this chapter, and if so, the amount of bonds then to be issued and sold. The committee may authorize the Treasurer to sell all or any part of the bonds herein authorized at such time or times as may be fixed by the Treasurer.

7406. (a) Except as provided in subdivision (b), the moneys in the fund shall be used for the acquisition, construction, renovation, remodeling, and deferred maintenance of state youth and adult correctional facilities.

(b) Of the moneys in the fund, forty million dollars (\$40,000,000) is hereby appropriated to the Board of Corrections to fund those projects entitled to be funded under subdivision (c) of Section 3 of Chapter 444 of the Statutes of 1984, as amended, to the extent that those projects have not received full funding and for any costs associated with the sale of bonds and any administrative costs incurred by the Board of Corrections in the administration of the County Jail Capital Expenditure Bond Acts of 1981 and 1984 and the County Correctional Facility Capital Expenditure Bond Act of 1986.

(c) Notwithstanding subdivision (b) of Section 11 of Chapter 1519 of the Statutes of 1986 or any other provision of law to the contrary, and subject to the annual Budget Act appropriations by the Legislature, administrative costs shall not exceed 1½ percent of the amount allocated for any costs incurred by the Board of Corrections in the administration of the County Jail Capital Expenditure Bond Acts of 1981 and 1984 and the County Correctional Facility Capital Expenditure Bond Act of 1986.

7407. (a) All bonds herein authorized, which shall have been duly sold and delivered as herein provided, shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both the principal thereof and interest thereon.

(b) There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum, in addition to the ordinary revenues of the state, as shall be required to pay the principal of and interest on those bonds, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of that revenue to do and perform each and every act which shall be necessary to collect that additional sum.

(c) All money deposited in the fund which has been derived from premiums or accrued interest on bonds sold shall be available for transfer to the General

Fund as a credit to expenditures for bond interest.

(d) All money deposited in the fund pursuant to any provision of law requiring repayments to the state which are financed by the proceeds of the bonds authorized by this chapter shall be available for transfer to the General Fund. When transferred to the General Fund that money shall be applied as a reimbursement to the General Fund on account of the principal of and interest on the bonds which has been paid from the General Fund.

7408. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter such an amount as will equal the following:

(a) That sum annually as will be necessary to pay the principal of and the interest on the bonds issued and sold pursuant to this chapter.

(b) That sum as is necessary to carry out the provisions of Section 7409, which sum is appropriated without regard to fiscal years.

7409. For the purpose of carrying out this chapter, the Director of Finance, may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the committee in accordance with this chapter. Any money made available under this section to the board shall be returned by the board to the General Fund from moneys received from the sale of bonds sold for the purpose of carrying out this chapter. Those withdrawals from the General Fund shall be returned to the General Fund with interest at the rate which would otherwise have been earned by those sums in the Pooled Money Investment Account.

7410. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out the provisions of this chapter. The amount of the request shall not exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. The board shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

7411. Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 2 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of bonds shall include the approval of the issuance of any bonds issued to refund any bonds originally issued or any previously issued refunding bonds.

7412. All proceeds from the sale of bonds, except those derived from premiums and accrued interest, shall be available for the purpose provided in Section 7406 but shall not be available for transfer to the General Fund to pay the principal of and interest on bonds. The money in the fund may be expended only as herein provided.

7413. Money in the fund may only be expended pursuant to appropriations by the Legislature.

7414. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

Number
on ballot

81. **California Safe Drinking Water Bond Law of 1988.** (Statutes 1988, Chapter 45, AB 1439, as amended by Statutes 1988, Chapter 297, AB 1720)

[Approved by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. Chapter 16 (commencing with Section 14000) is added to Division 7 of the Water Code, to read:

CHAPTER 16. CALIFORNIA SAFE DRINKING WATER BOND LAW OF 1988

Article 1. General Provisions

14000. *This chapter shall be known and may be cited as the California Safe Drinking Water Bond Law of 1988.*

14001. *The Legislature hereby finds and declares all of the following:*

(a) *The State Department of Health Services has discovered toxic chemicals in 126 of California's large public drinking water systems.*

(b) *Many of the chemical contaminants in California's drinking water supplies are known or suspected of causing cancer, birth defects, and other serious illnesses.*

(c) *New monitoring programs for small public water systems are expected to identify many new toxic contamination problems. It is unlikely that these problems can be solved without financial assistance from the State of California.*

14002. *The Legislature further finds and declares that the protection of the health, safety, and welfare of the people of California requires that water supplied for domestic purposes be at all times pure, wholesome, and potable, and that it is in the interest of the people that the State of California provide technical and financial assistance to the end that the people of California are assured a safe, dependable, and potable supply of water for domestic purposes and that water is available in adequate quantity at sufficient pressure for health, cleanliness, and other domestic purposes.*

14003. *The Legislature further finds and declares that it is the intent of the Legislature to provide for the upgrading of domestic water supply systems to assure that all domestic water supplies at least meet minimum domestic water supply standards established under Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.*

14004. *As used in this chapter, the following terms shall have the following meanings:*

(a) *"Committee" means the Safe Drinking Water Finance Committee created by Section 14032.*

(b) *"Cost-per-connection" means the total amount of funds in grants or loans, or combination thereof, to be provided by the department to a supplier for any project, divided by the number of service connections in the water system.*

(c) *"Department" means the Department of Water Resources.*

(d) *"Domestic water system" means a system for the provision to the public of piped water for human consumption, if the system has at least five service connections or regularly supplies water to at least 25 individuals. The term includes any water supply, treatment, storage, and distribution facilities under the control of the operator of the system.*

(e) *"Fund" means the California Safe Drinking Water Fund created pursuant to Section 14010.*

(f) "Supplier" or "supplier of water" means any person, partnership, corporation, association, or other entity or political subdivision of the state which owns or operates a domestic water system.

(g) "Federal assistance" means funds available, or which may become available, to a supplier either directly or through allocation by the state from the federal government as grants or loans for the improvement of domestic water systems.

(h) "Treatment works" means any devices or systems used in the treatment of water supplies, including necessary lands, which render water supplies pure, wholesome, and potable for domestic purposes.

(i) "Project" means proposed facilities for the construction, improvement, or rehabilitation of the domestic water system, and may include water supply, treatment works, and all or part of a water distribution system, if necessary to carry out the purpose of this chapter.

(j) "Public agency" means any city, county, city and county, district, joint powers authority, or other political subdivision of the state which owns or operates a domestic water system. For purposes of this chapter, Chapter 10.2 (commencing with Section 13810), Chapter 10.5 (commencing with Section 13850), Chapter 10.6 (commencing with Section 13880), and Chapter 10.7 (commencing with Section 13895) a political subdivision of the state may be any public agency.

Article 2. California Safe Drinking Water Program

14010. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the California Safe Drinking Water Fund, which is hereby created.

14011. (a) Notwithstanding Section 13340 of the Government Code, an aggregate amount of seventy-five million dollars (\$75,000,000) of the moneys in the fund are hereby continuously appropriated and shall be used for the purposes set forth in this section and Section 14029.

(b) The department may enter into contracts with suppliers having authority to construct, operate, and maintain domestic water systems, for loans to suppliers to aid in the construction of projects which will enable the supplier to meet, at a minimum, safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.

(c) Any contract entered into pursuant to this section may include provisions as agreed by the parties thereto, and the contract shall include, in substance, all of the following provisions:

(1) An estimate of the reasonable cost of the project.

(2) An agreement by the department to loan to the supplier, during the progress of construction or following completion of construction as agreed by the parties, an amount which equals the portion of construction costs found by the department to be eligible for a state loan.

(3) An agreement by the supplier to repay the state over a period not to exceed 50 years, (A) the amount of the loan, (B) the administrative fee as described in Section 14022, and (C) interest on the principal, which is the amount of the loan plus the administrative fee.

(4) An agreement by the supplier, (A) to proceed expeditiously with, and complete, the project, (B) to commence operation of the project upon completion thereof, and to properly operate and maintain the project in accordance with the applicable provisions of law, (C) to apply for, and make reasonable efforts to secure, federal assistance for the project, (D) to secure approval of the depart-

ment and of the State Department of Health Services before applying for federal assistance in order to maximize and best utilize the amounts of that assistance available, and (E) to provide for payment of the supplier's share of the cost of the project, if any.

(d) Bond proceeds may be used for a grant program in accordance with this chapter, with grants provided to suppliers that are political subdivisions of the state that are otherwise unable to meet minimum safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code. The total amount of grants made pursuant to this chapter shall not exceed twenty-five million dollars (\$25,000,000).

(e) Notwithstanding any other provision, the proceeds of any bonds authorized to be issued under the California Safe Drinking Water Bond Law of 1976 (Chapter 10.5 (commencing with Section 13850)), the California Safe Drinking Water Bond Law of 1984 (Chapter 10.2 (commencing with Section 13810)), and the California Safe Drinking Water Bond Law of 1986 (Chapter 10.7 (commencing with Section 13895)) which are unissued and uncommitted on the effective date of this chapter, shall be used for loans and grants to suppliers in accordance with the terms, conditions, and purposes of this chapter.

(f) The Treasurer shall determine the interest rate to be paid on loans issued under the Safe Drinking Water Bond Law of 1976 (Chapter 10.5 (commencing with Section 13850)), as required under Section 13867, equal to the average interest rate, computed by the true interest cost method, paid by the state on general obligation bonds sold pursuant to that chapter up to the effective date of this chapter

14012. (a) The department may make state grants to suppliers that are political subdivisions of the state, from moneys in the fund available for that purpose pursuant to subdivision (d) of Section 14011, to aid in the construction of projects which will enable the public agency to meet, at a minimum, safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code. A grant may be made by the department only upon the specific approval of the Legislature.

(b) Any contract for a grant entered into pursuant to this chapter may include provisions as agreed by the parties thereto, and the contract shall include, in substance, all of the following provisions:

- (1) An estimate of the reasonable cost of the project.
- (2) An agreement by the department to grant to the public agency, during the progress of construction or following completion of construction as agreed by the parties, an amount which equals the portion of construction costs found by the department to be eligible for a state grant.
- (3) An agreement by the public agency, (A) to proceed expeditiously with, and complete, the project, (B) to commence operation of the project upon completion thereof, and to properly operate and maintain the project in accordance with the applicable provisions of law, (C) to apply for, and make reasonable efforts to secure, federal assistance for the project, (D) to secure approval of the department and of the State Department of Health Services before applying for federal assistance in order to maximize and best utilize the amounts of that assistance available, and (E) to provide for payment of the public agency's share of the cost of the project, if any.

14013. Applications for loans and grants under this chapter shall be made to the department in the form and with the supporting material as prescribed by the department.

14014. *The department shall prepare an annual report on all grant commitments made, or grant contracts entered into, pursuant to this chapter. The report shall be filed with the Legislature, if it is in session or, if it is not in session, with the Joint Rules Committee. The report shall be filed on or before January 31 of each year for grant commitments made, or grant contracts entered into, by the department during the previous calendar year.*

14015. (a) *Loans and grants may be made only for projects for domestic water systems. The State Department of Health Services may make reasonable allowance for future water supply needs and may provide for additional capacity when excessive costs would be incurred by later enlargement. The loans and grants may be made for all, or any part, of the cost of constructing, improving, or rehabilitating any system when, in the judgment of the State Department of Health Services, improvement or rehabilitation is necessary to provide pure, wholesome, and potable water in adequate quantity at sufficient pressure for health, cleanliness, and other domestic purposes. The State Department of Health Services shall determine and notify applicants of eligibility of components requested to be included in the proposed project. The department shall use this determination as a basis for disbursing funds. No single public agency shall receive grants pursuant to this chapter totaling more than four hundred thousand dollars (\$400,000). Loans may be made to provide for the purchase of a water system or the purchase of watershed lands. No loan to an individual supplier shall exceed the sum of five million dollars (\$5,000,000), unless the Legislature by an act raises the limit specified in this section.*

(b) *Upon receipt of an application for a grant or loan pursuant to this chapter, the department shall propose to the applicant improvements to the applicant's water development, distribution, and utilization system which will conserve water in a cost-effective manner. These improvements may include, but need not be limited to, leak detection and repair programs, valve repair and replacement, meter calibration and replacement, physical improvements to achieve corrosion control, distribution and installation of water conservation devices and fixtures, and other capital improvements which can be demonstrated to conserve water in a cost-effective manner. The department and applicant may agree to include these capital improvements in the grant or loan. Failure by the applicant to include water conservation capital improvements in the grant or loan application shall not be sufficient cause for the department to refuse to make the grant or loan.*

14016. *An application for a grant pursuant to this chapter shall not be approved by the department, unless the State Department of Health Services determines that the public agency is otherwise unable to meet minimum safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.*

No grant shall be made by the department except upon approval by the State Department of Health Services of project plans submitted by the applicant and upon written approval by the State Department of Health Services that the proposed project is consistent with Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.

14017. *First priority for grants shall be granted to public agencies having immediate health related problems, as certified by the State Department of Health Services. Additional high priority shall be granted to projects to correct immediate problems, as opposed to grants for construction of projects to meet future growth needs.*

14018. *First priority for loans shall be given to suppliers with the most critical public health problems. Priority for loans shall also be given to suppliers which have a lesser capability to reasonably finance system improvements.*

14019. *Preliminary design work, including a cost estimate for the project, shall be completed before a loan or grant is awarded. Operation and maintenance costs shall be the responsibility of the supplier and may not be considered as part of the project cost. Costs for planning and preliminary engineering studies may be reimbursed following the receipt of a loan or grant, subject to approval by the department and the State Department of Health Services.*

14020. *No application for a grant may be made pursuant to this chapter unless the public agency has also applied for a loan pursuant to this chapter. A public agency shall be eligible for a grant only to the extent that the department finds that the agency is found unable to repay the full costs of a loan.*

If the department has determined that the applicant is unable to repay the full costs of a loan, the applicant may also file for a grant. Upon receipt of a grant application, the department shall determine that portion of the full costs that the applicant is capable of repaying. Grant funds shall only be provided for that portion that the the applicant is not capable of repaying.

14021. *Grant funds shall be expended by the public agency within three years of the making of the grant. No grant funds may be expended by the public agency unless the public agency is able to demonstrate to the department, within one year of the making of the grant, supported by an acceptable bid, that the amount to be expended for the project will be within 20 percent of the public agency's cost estimate for the project.*

14022. *For the purpose of administering this chapter, the total expenditures of the department and the State Department of Health Services may not exceed 5 percent of the total amount of the bonds authorized to be issued under this chapter. The department shall establish a reasonable schedule of administrative fees for loans, which fees shall be paid by the supplier pursuant to Section 14011, to reimburse the state for the costs of state administration of this chapter.*

Charges incurred by the Attorney General in protecting the state's interests in the use and repayment of grant and loan funds under this chapter shall be paid from the proceeds of bond sales under this chapter. These charges shall not be paid from funds allocated for administrative purposes, but shall be treated as a program expense not to exceed 1.5 percent of the total amount of the bonds authorized to be sold under this chapter.

14023. *Repayment of all or part of the principal, which is the loan plus the administrative fee, may be deferred during a development period not exceeding 10 years within the maximum 50-year repayment period, when, in the department's judgment, the development period is justified under the circumstances. Interest on the principal shall not be deferred. Repayment of principal which is deferred during a development period may, at the option of the supplier, be paid in annual installments during the remainder of the loan repayment period.*

14024. *The department shall establish the interest rate for loans made pursuant to this chapter at 50 percent of the true interest cost to the state of general obligation bonds issued most recently prior to the loan being executed. All loans made pursuant to this chapter shall carry the established interest rate for the calendar year in which the funds are committed to the loan, as of the date of the letter of commitment from the department, and shall remain at that interest rate for the duration of the loan.*

14025. (a) *The department, after public notice and hearing and with the concurrence of the State Department of Health Services, shall adopt rules and*

regulations necessary to carry out the purposes of this chapter. The regulations shall include, but not be limited to, criteria and procedures for establishing the eligibility of a supplier.

(b) The department shall adopt rules and regulations that, in its judgment, will most effectively carry out this chapter in the public interest, to the end that the people of California are most efficiently and most economically provided supplies of pure, wholesome, and potable domestic water. The rules and regulations may provide for the denial of funds when the purposes of this chapter may most economically and efficiently be attained by means other than the construction of the proposed project.

(c) Notwithstanding subdivision (a) or any other provision of law, existing rules and regulations adopted by the department pursuant to the California Safe Drinking Water Bond Law of 1984 (Chapter 10.2 (commencing with Section 13810)) which are in effect on the effective date of this chapter, may, at the option of the department, be utilized upon voter approval of this chapter for purposes of implementing this chapter. The department, with the concurrence of the State Department of Health Services, may subsequently revise those rules and regulations pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code as necessary to implement provisions of this chapter which differ from Chapter 10.2 (commencing with Section 13810) or Chapter 10.7 (commencing with Section 13895) or for any other reason to carry out the purposes of this chapter.

14026. The State Department of Health Services shall notify suppliers that may be eligible for loans pursuant to this chapter of (a) the purposes of this chapter and (b) the rules and regulations adopted by the department.

14027. (a) The State Department of Health Services, after public notice and hearing and with the advice of the department, shall, from time to time, establish a priority list of projects to be considered for financing.

(b) Notwithstanding subdivision (a) or any other provision of law, the priority list established by the State Department of Health Services pursuant to the California Safe Drinking Water Bond Law of 1986 (Chapter 10.7 (commencing with Section 13895)) in effect on the effective date of this chapter may, at the option of the State Department of Health Services, be utilized upon voter approval of this chapter until the State Department of Health Services adopts a new priority list.

14028. Not more than twenty-five million dollars (\$25,000,000) of state loans for projects shall be authorized by the department in a single calendar quarter. No contract shall be approved by the department, unless the department finds that the supplier has the capacity to repay the loan amounts specified in the contract.

At the request of the department, the Public Utilities Commission shall furnish comments concerning the ability of suppliers subject to its jurisdiction to finance the project from other sources and the ability to repay the loan.

14029. (a) As approved annually by the Legislature in the Budget Act, the department, notwithstanding Section 14022, may expend money repaid to the state pursuant to any contract executed under Section 14011 as necessary for the administration of contracts entered into by the department under this chapter, but those expenditures may not in any year exceed 1.5 percent of the amount repaid to the state in that year. Charges incurred by the Attorney General in protecting the state's interest in the use and repayment of grant and loan funds under this chapter may be paid by the department from these funds, but those charges may not exceed one-half of 1 percent of the amount repaid to the state in

that year. Any of the above sums approved by the Legislature, but unexpended by the department at the end of any year, shall automatically revert to the General Fund.

(b) Except as provided in subdivision (a), all money repaid to the state pursuant to any contract executed under Section 14011 shall be deposited in the General Fund and, when so deposited, shall be applied as a reimbursement to the General Fund on account of principal and interest on bonds issued pursuant to this chapter which has been paid from the General Fund.

(c) The department may enter into contracts with suppliers of water for grants or short-term loans for the purpose of investigating and identifying alternatives for system improvements. Any loans or grants pursuant to this section shall be made from the fund. No supplier may receive for a single investigation more than twenty-five thousand dollars (\$25,000) in the form of a loan or grant pursuant to this section. The State Department of Health Services shall review all proposed investigations and shall determine if they are necessary and appropriate.

(d) Any contract entered into pursuant to this section shall include terms and conditions consistent with this chapter, and any loan contract shall provide for a repayment period not to exceed 24 months.

(e) Not more than six million dollars (\$6,000,000) may be expended for the purposes of this section, of which not more than two million dollars (\$2,000,000) may be used for grants to public agencies. A loan or grant made for the purposes of this section shall not decrease the maximum amount of any other loan or grant which may be made under this chapter, Chapter 10.2 (commencing with Section 13810), Chapter 10.5 (commencing with Section 13850), Chapter 10.6 (commencing with Section 13880), or Chapter 10.7 (commencing with Section 13895).

Article 3. Fiscal Provisions

14030. Bonds in the total amount of seventy-five million dollars (\$75,000,000), exclusive of refunding bonds issued pursuant to Section 14039, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. All bonds herein authorized, which shall have been duly sold and delivered as herein provided, shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California are hereby pledged for the punctual payment of both principal and interest thereof.

14031. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

14032. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the California Safe Drinking Water Finance Committee is hereby created. For purposes of this chapter, the California Safe Drinking Water Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Governor, the Treasurer, the Director of Finance, the Director of Water Resources, and the State Director of Health Services, or their designated representatives. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the Department of Water Resources is designated the "board."

14033. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in Section 14011, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any time.

14034. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds maturing each year, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of the revenue, to do and perform each and every act which shall be necessary to collect the additional sum.

14035. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out the provisions of Section 14036, appropriated without regard to fiscal years.

14036. For the purposes of carrying out this chapter, the Director of Finance may, by written order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund to be allocated by the board in accordance with this chapter. Any money made available under this section shall be returned by the board to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account from money received from the sale of bonds for the purpose of carrying out this chapter.

14037. All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

14038. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution disbursement of these proceeds is not subject to the limitations imposed by that article.

14039. Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 2 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of these bonds shall include the approval of any bonds issued to refund any bonds originally issued or previously issued refunding bonds.

14040. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out the provisions of this chapter. The amount of the request shall not exceed the amount of the unsold

bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. The board shall execute such documents as are required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

*Number
on ballot*

82. **Water Conservation Bond Law of 1988.** (Statutes 1988, Chapter 46, AB 1715, as amended by Statutes 1988, Chapter 297, AB 1720)

[Approved by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. Chapter 4.7 (commencing with Section 12879) is added to Part 6 of Division 6 of the Water Code, to read:

CHAPTER 4.7. WATER CONSERVATION BOND LAW OF 1988

Article 1. General Provisions

12879. This chapter shall be known and may be cited as the Water Conservation Bond Law of 1988.

12879.1. The Legislature finds and declares as follows:

(a) There is a lack of local water projects in certain areas of the state where the demands of a growing population could exceed water supplies which could threaten the public health and impede economic and social growth.

(b) It is in the interest of the state to provide financial assistance to local agencies for the development of local water resources necessary to meet requirements for domestic, agricultural, and other uses.

(c) The participation of the state and the State Water Resources Development System in the construction and operation of local water projects in those areas is desirable to further the development, control, and conservation of the water resources of the state.

(d) Voluntary, cost-effective capital outlay water conservation programs can help meet growing demand for clean and abundant water supplies.

(e) Recharging groundwater basins is an effective way to maximize the availability of scarce water supplies throughout the state through the efficient management of recharge and extraction activities in groundwater basins, and by reversing the effects of historical overdraft.

12879.2. As used in this chapter, the following terms have the following meanings:

(a) "Committee" means the Water Conservation Finance Committee created pursuant to 12879.9.

(b) "Department" means the Department of Water Resources.

(c) "Fund" means the 1988 Water Conservation Fund created pursuant to 12879.3.

(d) "Local agency" means any city, county, city and county, district, joint powers authority, or other political subdivision of the state involved in water management.

(e) "Eligible project" means any dam, reservoir, or other construction or improvement by a local agency for the diversion, storage, or primary distribution of water, or facilities for groundwater extraction, primarily for domestic, municipal, agricultural, industrial, recreation, fish and wildlife enhancement, flood control, or power production purposes. An eligible project also means any

reservoir, pipeline, or other construction or improvement by a local agency for the storage or distribution of reclaimed water for reuse.

(f) "Groundwater recharge facilities" means land and facilities for artificial groundwater recharge through methods which include, but are not limited to, either percolation using basins, pits, ditches, and furrows, modified streambed, flooding, and well injection, or in-lieu recharge. "Groundwater recharge facilities" also means capital outlay expenditures to expand, renovate, or restructure land and facilities already in use for the purpose of groundwater recharge.

Groundwater recharge facilities may include either of the following:

(1) Instream facilities for regulation of water levels, but not regulation of streamflow by storage to accomplish diversion from the waterway.

(2) Conveyance facilities to the recharge site, including devices for flow regulation and measurement of recharge waters.

Any part or all of the project facilities, including land under the facilities, may consist of separable features, or an appropriate share of multipurpose features of a larger system, or both.

(g) "In-lieu recharge" means accomplishing increased storage of groundwater by providing surface water to a user who relies on groundwater as a primary supply, in order to accomplish groundwater storage through the direct use of that surface water in lieu of pumping groundwater. In-lieu recharge shall be used rather than continuing pumping while artificially recharging with surface waters. However, bond proceeds shall not be used to purchase surface waters for use in lieu of pumping groundwater.

(h) "Voluntary cost-effective capital outlay water conservation programs" means those feasible capital outlay measures to improve the efficiency of water use through benefits which exceed their costs. The programs include, but are not limited to, lining or piping of ditches; improvements in water distribution system controls such as automated canal control, construction of small reservoirs within distribution systems which conserve water that already has been captured for reuse, and related physical improvements; tailwater pumpback recovery systems to reduce leakage; and capital changes in on farm irrigation systems which improve irrigation efficiency, such as sprinkler or subsurface drip systems. In each case, the department shall determine that there is a net savings of water as a result of each proposed project and that the project is cost-effective.

Article 2. Water Conservation Program

12879.3. (a) The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the 1988 Water Conservation Fund, which is hereby created. A Local Water Projects Assistance Account shall be established in the fund for the purpose of implementing Section 12879.5, and a Water Conservation and Groundwater Recharge Account shall be established in the fund for the purposes of implementing Section 12879.6.

(b) From time to time, the department may modify existing accounts in the fund, or may establish other accounts in the fund, and in all other bond funds administered by the department, which the department determines are appropriate or necessary for proper administration.

12879.4. (a) The department may make loans to local agencies, upon approval of the Legislature by statute, to aid in the construction of eligible projects and to aid in the funding of voluntary, cost-effective capital outlay water conservation programs and groundwater recharge facilities, and may adopt rules and regulations necessary to carry out this chapter.

Notwithstanding any provision of law, existing rules and regulations adopted by the department pursuant to Chapter 5 (commencing with Section 12880) and Chapter 6.1 (commencing with Section 13450) that are in effect on the effective date of this chapter may be utilized to carry out this chapter. The department may subsequently revise those rules and regulations pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code as necessary to carry out this chapter.

(b) For the purpose of administering this chapter, the total expenditures of the department through the making of any loans may not exceed 5 percent of the total amount of the bonds authorized to be issued under this chapter. The department shall establish a reasonable schedule of administrative fees for loans, which fees shall be paid by the local agency pursuant to subdivision (c) of Section 12879.4 to reimburse the state for the costs of state administration of this chapter.

Charges incurred by the Attorney General in protecting the interests of the state in the use and repayment of funds under this chapter shall be paid from the proceeds of bonds authorized to be issued under this chapter. These charges shall not be paid from funds allocated for administrative purposes, but shall be treated as a program expense, not to exceed 1.5 percent of the total amount of the bonds authorized to be issued under this chapter.

(c) Any contract entered into pursuant to this section may include such provisions as may be determined by the department, provided that any contract concerning an eligible project shall include, in substance, all of the following provisions:

(1) A finding by the department that the local agency has the ability to repay the loan, that the eligible project is economically justified, and that the eligible project is feasible from an engineering and geologic standpoint.

(2) An estimate of the reasonable cost and benefit of the eligible project, program, or facility.

(3) An agreement by the local agency to proceed expeditiously with, and complete, the eligible project.

(4) A provision that there shall be no moratorium or deferment on payments of principal or interest.

(5) Local agencies seeking a loan shall demonstrate, to the satisfaction of the department, that an adequate opportunity for public participation regarding the loan has been provided.

(6) Any election held with respect to the loan shall include the entire local agency except where the agency proposes to accept the loan on behalf of a specified portion, or portions, of the agency, in which case the election shall be held in that portion or portions of the agency only.

(7) Annual principal and interest payments shall commence not later than one year after completion of any project and all loans shall be fully amortized not later than 50 years after project completion.

(8) The recipient of a loan shall establish a dedicated source of revenue for repayment of the loan.

(9) Any loans made pursuant to this chapter may be for a period of up to 20 years. The interest rate for the loans made for projects to be funded pursuant to Section 12879.5 shall be set at a rate equal to the interest rate paid by the state on the most recent sale of state general obligation bonds, with that rate to be computed according to the true interest cost method. The interest rate for loans made for projects to be funded pursuant to Section 12879.6 shall be set at a rate equal to 50 percent of the interest rate paid by the state on the most recent sale

of state general obligation bonds, with that rate to be computed according to the true interest cost method. When the interest rate so determined is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the next higher multiple on one-tenth of 1 percent. The interest rate set for each contract shall be applied throughout the repayment period of the contract. There shall be a level annual repayment of principal and interest on the loans. The amount of the principal shall include the administrative fee described in subdivision (b).

(d) All loans made pursuant to this chapter shall be subject to the approval of the Legislature by statute.

(e) Applications for loans or financial participation by the state under this chapter shall be made to the department in the form and with the supporting material as may be prescribed by the department.

(f) All money repaid to the state pursuant to any contract executed under this chapter, or under Section 13999.11, shall be deposited in the General Fund as reimbursement for payment of principal and interest on bonds authorized to be issued under this chapter or Chapter 15 (commencing with Section 13999) that have been paid from the General Fund.

(g) As approved annually by the Legislature in the Budget Act, the department, notwithstanding subdivision (b), may expend money repaid to the state pursuant to any contract executed pursuant to this chapter as necessary for the administration of contracts entered into by the department pursuant to this chapter. However, the expenditures may not in any year exceed 1.5 percent of the amount repaid to the state in that year. Charges incurred by the Attorney General in protecting the state's interests in the use and repayment of funds pursuant to this chapter may be paid by the department from these funds. However, the charges may not exceed 0.5 percent of the amount repaid to the state in that year. Any of the foregoing sums approved by the Legislature in the Budget Act but unencumbered at the end of any year shall automatically revert to the General Fund.

12879.5. (a) The sum of twenty million dollars (\$20,000,000) of the money in the fund shall be deposited in the Local Water Projects Assistance Account and shall be available for loans to local agencies to aid in the construction of eligible projects.

(b) No eligible project may receive more than five million dollars (\$5,000,000) in loans from the department.

(c) In the administration of this section, the department and the California Water Commission shall give preference to projects involving the development of new basic water supplies which may include the enlargement of existing dams and reservoirs, and for projects that will remedy existing water supply problems. The department and the California Water Commission shall set priority for loans pursuant to this section on the basis of the cost effectiveness of the proposed project, with the most cost-effective projects receiving highest priority.

(d) If the water supply function of a dam and reservoir facility is operationally limited or eliminated for dam safety purposes, pursuant to Part 1 (commencing with Section 6000) of Division 3, the department and the California Water Commission may give consideration to projects which would rehabilitate the dam and reservoir for water supply purposes. The rehabilitation of facilities may include comparable replacement facilities

(e) A copy of each application for a loan pursuant to this section shall be transmitted by the department to the Department of Fish and Game, the Department of Parks and Recreation, and the State Water Resources Control Board. A report on each application shall be prepared by the department and

submitted to the Legislature, together with the comments of those agencies to which the application was transmitted. In the report, the department shall make findings as to the nature and extent of the statewide interest in the project, the urgency of the need, and the engineering feasibility, economic justification, and financial feasibility of the project.

(f) Not later than January 31, 1990, and each year thereafter, the department shall submit to the Legislature an annual report on all loans made pursuant to this chapter. The report shall cover loans made by the department during the previous calendar year.

(g) The department shall not make loans pursuant to this section for otherwise eligible projects whose benefits are more than 50 percent derived from hydroelectric generation, as determined by the department.

(h) The department may make loans to local agencies, at the interest rates authorized pursuant to this chapter and pursuant to any terms and conditions as may be determined necessary by the department, for the purposes of financing feasibility studies of projects potentially eligible for funding pursuant to this section. No single potential project shall be eligible to receive more than five hundred thousand dollars (\$500,000), and not more than 10 percent of the total amount of bonds authorized to be expended for purposes of this section may be expended for those purposes.

12879.6. (a) The sum of forty million dollars (\$40,000,000) of the money in the fund shall be deposited in the Water Conservation and Groundwater Recharge Account and shall be available for appropriation by the Legislature for loans to local agencies to aid in the acquisition and construction of voluntary, cost-effective capital outlay water conservation programs and groundwater recharge facilities.

(b) No eligible project may receive more than five million dollars (\$5,000,000) in loans from the department.

(c) The department shall set priority for loans under this section for voluntary, cost-effective capital outlay water conservation programs on the basis of the cost effectiveness of the proposed project, with the most cost-effective projects receiving the highest priority.

(d) The department shall set priority for loans under this section for groundwater recharge facilities for projects in overdrafted groundwater basins and those projects in critical need, for projects whose feasibility studies show the greatest economic justification and the greatest engineering and hydrogeologic feasibility, as determined by the department, and for projects located in areas which have existing water management programs.

(e) The department may make loans to local agencies, at the interest rates authorized pursuant to this chapter and under any terms and conditions as may be determined necessary by the department, for the purposes of financing feasibility studies of projects potentially eligible for funding pursuant to this section. No single potential project shall be eligible to receive more than one hundred thousand dollars (\$100,000), and not more than 3 percent of the total amount of bonds authorized to be expended for the purposes of this section may be expended for these purposes.

Article 3. Fiscal Provisions

12879.7. Bonds in the total amount of sixty million dollars (\$60,000,000), exclusive of refunding bonds issued pursuant to Section 12879.15, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse

the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. All bonds herein authorized, which have been duly sold and delivered as herein provided, shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereof.

12879.8. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

12879.9. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the Water Conservation Finance Committee is hereby created. For purposes of this chapter, the Water Conservation Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Governor, the Controller, the Treasurer, the Director of Finance, the Director of Water Resources, and the Chairperson of the California Water Commission, or their designated representatives. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the Department of Water Resources is designated the "board."

12879.10. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in Sections 12879.5 and 12879.6, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

12879.11. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds maturing each year, and all officers required by law to perform any duty in regard to the collection of state revenues shall collect that additional sum.

12879.12. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out the provisions of Section 12879.13, appropriated without regard to fiscal years.

12879.13. For the purposes of carrying out this chapter, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund to be allocated by the board in accordance with this chapter. Any money made available under this section to the board from money received from the sale of

bonds for the purpose of carrying out this chapter shall be returned to the General Fund plus the interest that the amount would have earned in the Pooled Money Investment Account.

12879.14. All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

12879.15. Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 2 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of these bonds shall include the approval of any bonds issued to refund any bonds originally issued or previously issued refunding bonds.

12879.16. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. The board shall execute such documents as are required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

12879.17. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

SEC. 2. Section 13459 of the Water Code is amended to read:

13459. (a) The sum of seventy-five million dollars (\$75,000,000) of the money in the fund shall be deposited in the Agricultural Drainage Water Account is appropriated for expenditure in the 1986-87 fiscal year for loans to agencies to aid in the construction of drainage water management units for the treatment, storage, or disposal of agricultural drainage water and the purposes set forth in this section. The board may loan an agency up to 100 percent of the total eligible costs of design and construction of an eligible project. Loans made in the 1986-87 fiscal year may not be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations, to the policy committee of the Assembly as designated by the Speaker of the Assembly and the policy committee of the Senate designated by the Senate Rules Committee, and the Chairperson of the Joint Legislative Budget Committee.

(b) Any contract for an eligible project entered into pursuant to this section may include such provisions as determined by the board and shall include, in substance, all of the following provisions:

- (1) An estimate of the reasonable cost of the eligible project.
- (2) An agreement by the agency to proceed expeditiously with, and complete, the eligible project; commence operation of the containment structures or treatment works upon completion and to properly operate and maintain the works in accordance with applicable provisions of law; provide for payment of the agency's share of the cost of the project, including principal and interest on any state loan made pursuant to this section; and, if appropriate, apply for and make reasonable efforts to secure federal assistance for the state-assisted project.

(c) All loans pursuant to this section are subject to all of the following provisions:

(1) Agencies seeking a loan shall demonstrate, to the satisfaction of the board, that an adequate opportunity for public participation regarding the loan has been provided.

(2) Any election held with respect to the loan shall include the entire agency except where the agency proposes to accept the loan on behalf of a specified portion, or portions, of the agency, in which case the referendum shall be held in that portion or portions of the agency only.

(3) Loan contracts may not provide a moratorium on payment of principal or interest.

(4) Loans shall be for a period of up to 20 years with an interest rate set annually by the board at 50 percent of the interest rate computed by the true interest cost method on bonds most recently issued pursuant to this chapter. *The interest rate for the loans shall be set at a rate equal to 50 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds, with that rate to be computed according to the true interest cost method. When the interest rate so determined is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the next higher multiple of one-tenth of 1 percent.* The interest rate set for each contract shall be applied throughout the contract's repayment period. There shall be a level annual repayment of principal and interest on loans.

(5) The board in considering eligible projects shall give preference to technologies which treat drainage water where the board finds that the technology is readily available and economically feasible for the agency.

(6) No single project may receive more than twenty million dollars (\$20,000,000) in loan proceeds from the board.

(d) The board may make loans to local agencies, at the interest rates authorized under this section and under any terms and conditions as may be determined necessary by the board, for purposes of financing feasibility studies of projects potentially eligible for funding under this section. No single potential project shall be eligible to receive more than one hundred thousand dollars (\$100,000), and not more than 3 percent of the total amount of bonds authorized to be expended for purposes of this section may be expended for this purpose. A loan for a feasibility study shall not decrease the maximum amount of any other loan which may be made under this section.

SEC. 3. Section 13999.3 of the Water Code is amended to read:

13999.3. (a) There is in the State Treasury the 1984 State Clean Water Bond Fund, which fund is hereby created. There shall be established in the fund a Clean Water Construction Grant Account for the purpose of implementing Section 13999.8, a Small Communities Assistance Account for the purpose of implementing Section 13999.9, a Water Reclamation Account for the purpose of implementing Section 13999.10 and a Water Conservation Account for the purpose of implementing Section 13999.11.

(b) *From time to time, the board may modify existing accounts in the fund, or may establish other accounts in the fund, and in all other bond funds administered by the board, which the board determines are appropriate or necessary for proper administration.*

SEC. 4. Section 13999.5 of the Water Code is amended to read:

13999.5. (a) The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of three hundred twenty-five million dollars (\$325,000,000), in the

manner provided in this chapter. The debt or debts, liability or liabilities, shall be created for the purpose of providing the fund to be used for the object and work specified in this section and in Sections 13999.6, 13999.8, 13999.9, 13999.10, 13999.11, and 13999.14.

(b) The board is authorized to enter into contracts with municipalities having authority to construct, operate, and maintain treatment works and reclamation projects, for grants and loans to the municipalities to aid in the construction of eligible projects and eligible water reclamation projects and may adopt rules and regulations necessary to carry out the provisions of this chapter.

(c) As approved by the Legislature annually in the Budget Act, the board may, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out the purposes of this division, and may prepare recommendations with regard thereto, including the preparation of comprehensive statewide or areawide studies and reports on the collection, treatment, and disposal of waste under a comprehensive cooperative plan.

(d) As approved by the Legislature annually in the Budget Act, the board may expend bond funds necessary for administration of this chapter.

(e) Not more than 5 percent of the ~~money deposited in the fund~~ *total amount of the bonds authorized to be issued under this chapter* may be used for purposes of subdivisions (c) and (d).

(f) As approved by the Legislature annually in the Budget Act, the department may direct grants and loans to any public agency or, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out voluntary, cost-effective capital outlay water conservation programs.

(g) The board may expend funds necessary to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code.

SEC. 5. Section 13999.10 of the Water Code is amended to read:

13999.10. (a) The sum of twenty-five million dollars (\$25,000,000) of the money in the fund shall be deposited in the Water Reclamation Account and is appropriated for loans to municipalities for eligible water reclamation projects which will provide water for beneficial uses.

The board may loan a municipality up to 100 percent of the total eligible costs of design and construction of a reclamation project.

(b) Any contract for an eligible water reclamation project entered into pursuant to this section may include such provisions as determined by the board and shall include both of the following provisions:

(1) An estimate of the reasonable cost of the eligible water reclamation project.

(2) An agreement by the municipality to proceed expeditiously with, and complete, the eligible water reclamation project; commence operation of the project in accordance with applicable provisions of law; provide for payment of the municipality's share of the cost of the project, including principal and interest on any state loan made pursuant to this section; and, if appropriate, apply for and make reasonable efforts to secure federal assistance, other than that available pursuant to the federal Clean Water Act, for the state-assisted project.

(c) Loan contracts may not provide for a moratorium on payments of principal or interest.

(d) (1) Any loans made from the Water Reclamation Account shall be for a period of up to 25 years ~~with an interest rate set annually by the board at 50~~

percent of the average interest rate paid by the state on general obligation bonds in the calendar year immediately preceding the year in which the loan agreement is executed. All principal and interest from loans shall be returned to the Water Reclamation Account for new loans. The interest rate for the loans shall be set at a rate equal to 50 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds, with that rate to be computed according to the true interest cost method. When the interest rate so determined is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the next higher multiple of one-tenth of 1 percent.

(2) All principal and interest from loans shall be returned to the Water Reclamation Account for new loans.

(e) Funds available under this section may be used for loans pursuant to subdivisions (f), (g), and (h) of Section 13999.8 if the Clean Water Construction Grant Account is depleted. All principal and interest on any such loans shall be repaid to the Water Reclamation Account.

(f) No single project may receive more than ten million dollars (\$10,000,000) from the board.

SEC. 6. Section 13999.17 is added to the Water Code, to read:

13999.17. (a) *Notwithstanding any other provision of this chapter and to the extent permitted by federal and state law, the money in the fund may be used to rebate to the federal government all arbitrage profits required by the Federal Tax Reform Act of 1986 or any amendment thereof or supplement thereto. To the extent that the money in the fund may not be used for that purpose due to restraints of federal or state law, any rebates required shall be paid from the General Fund or from other sources as required by the Legislature*

(b) *Notwithstanding any other provision of law, rule, or regulation, the board may enter into contracts, or procure those services and equipment, which may be necessary to ensure prompt and complete compliance with any provisions relating to the fund imposed by either the Federal Tax Reform Act of 1986 or the federal act.*

*Number
on ballot*

83. Clean Water and Water Reclamation Bond Law of 1988. (Statutes 1988, Chapter 47, SB 997)

[Approved by electors November 8, 1988.]

PROPOSED LAW

SEC. 2. Chapter 17 (commencing with Section 14050) is added to Division 7 of the Water Code, to read:

CHAPTER 17. CLEAN WATER AND WATER RECLAMATION Bond LAW OF 1988

Article 1. General Provisions

14050. *This chapter shall be known and may be cited as the Clean Water and Water Reclamation Bond Law of 1988.*

14051. *The Legislature finds and declares as follows:*

- (a) *Clean water is essential to the public health, safety, and welfare.*
- (b) *Clean water fosters the beauty of California's environment, the expansion of industry and agriculture, maintains fish and wildlife, and supports recreation.*
- (c) *California's abundant lakes and ponds, streams and rivers, coastline, and groundwater are threatened with pollution, which could threaten public health*

and impede economic and social growth if left unchecked.

(d) The state's growing population has increasing needs for clean water supplies and adequate treatment facilities.

(e) It is of paramount importance that the limited water resources of the state be protected from pollution, conserved, and reclaimed whenever possible to ensure continued economic, community, and social growth.

(f) The chief cause of water pollution is the discharge of inadequately treated waste into the waters of the state.

(g) Local agencies have the primary responsibility for construction, operation, and maintenance of facilities to cleanse our waters.

(h) Rising costs of construction and technological changes have pushed the cost of constructing treatment facilities beyond the reach of many small communities.

(i) Because water knows no political boundaries, it is desirable for the state to contribute to construction of needed facilities in order to meet its obligations to protect and promote the health, safety, and welfare of its people and environment.

(j) The people of California have a primary interest in the development of facilities to reclaim waste water to supplement existing water supplies and to assist in meeting the future water needs of the state.

(k) A significant portion of the future water needs of California may be met by the use of reclaimed water.

(l) Local public agencies have the primary responsibility for the construction, operation, and maintenance of water reclamation facilities.

(m) Local public agencies need financial assistance to make cost-effective reclamation projects financially feasible.

(n) (1) It is also the intent of this chapter to provide special assistance to small communities to construct facilities necessary to eliminate water pollution and public health hazards.

(2) It is also the intent of this chapter to provide funds for the design and construction of eligible water reclamation projects and for the development and implementation of programs and activities that lead to increased use of reclaimed water in California.

14052. As used in this chapter, the following words have the following meanings:

(a) "Board" means the State Water Resources Control Board.

(b) "Committee" means the Clean Water and Water Reclamation Finance Committee created by Section 14067.

(c) "Construction" has the same meaning as in the Federal Clean Water Act.

(d) "Eligible project" means a project for a small community for the construction of treatment works which is all of the following:

(1) Necessary to prevent pollution.

(2) Eligible for federal assistance pursuant to Title VI of the Federal Clean Water Act.

(3) Certified by the board as entitled to priority over other treatment works, and complies with applicable water quality standards, policies, and plans.

(e) "Eligible reclamation project" means a water reclamation project which is cost-effective when compared with the cost of alternative new freshwater supplies, and for which no federal assistance is currently available. These projects shall comply with applicable water quality standards, policies, and plans.

(f) "Federal assistance" means funds available to a local agency pursuant to the Federal Clean Water Act.

(g) "Federal Clean Water Act" or "federal act" means the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.) and any acts amendatory thereof or supplementary thereto.

(h) "Fund" means the 1988 Clean Water and Water Reclamation Fund created pursuant to Section 14055.

(i) "Local public agency" means any city, county, district, joint powers authority, or any other local public body or political subdivision of the state created by or pursuant to state law and involved with water or waste water management.

(j) "Municipality" has the same meaning as in the Federal Clean Water Act and also includes the state or any agency, department, or political subdivision thereof.

(k) "Small community" means a municipality with a population of 3,500 persons or less, or a reasonably isolated and divisible segment of a larger municipality encompassing 3,500 persons or less, with a financial hardship as defined by the Board.

(l) "State grant" means a grant given to a qualifying small community eligible for federal assistance under Title VI of the Federal Clean Water Act.

(m) "State Water Pollution Control Revolving Fund" means a revolving fund created under state law for the purpose of issuing loans for the construction of eligible treatment works in accordance with the federal act.

(n) "Treatment works" has the same meaning as in the Federal Clean Water Act.

Article 2. Clean Water and Water Reclamation Bond Program

14055. (a) The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the State Treasury to the credit of the 1988 Clean Water and Water Reclamation Fund, which is hereby created. There shall be established in the fund a Small Communities Grant Account for the purpose of implementing Section 14056 and a Water Reclamation Account for the purpose of implementing Section 14058.

(b) From time to time, the board may modify existing accounts in the fund, or may establish other accounts in the fund, and in all other bond funds administered by the board, which the board determines are appropriate or necessary for proper administration.

14056. (a) The sum of twenty-five million dollars (\$25,000,000) of the money in the fund shall be deposited in the Small Communities Grant Account and, notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated for state grants to small communities for construction of treatment works eligible for assistance under Title VI of the federal act.

(b) The board may enter into grant contracts in accordance with this section with qualifying small communities having authority to construct, operate, and maintain treatment works to aid in the construction of eligible projects.

(c) The board may make grants to small communities in an amount on a sliding scale, based on a community's ability to pay, not to exceed 97½ percent of the total estimated cost of pollution studies, planning, design, and construction determined in accordance with applicable state laws and regulations. Total state assistance under this section shall not exceed two million dollars (\$2,000,000) for any single eligible project.

(d) Any contract entered into pursuant to this section may include such provisions as may be determined by the board, provided that any contract shall include the following provisions:

(1) An estimate of the reasonable cost of the eligible project.

(2) An agreement by the small community to proceed expeditiously with, and complete, the proposed eligible project, commence operation of the treatment works upon completion, and to properly operate and maintain the works in accordance with applicable provisions of law.

(e) Small communities eligible for a state grant may also apply for a loan from the State Water Pollution Control Revolving Fund for costs not covered by the grant.

14057. The sum of ten million dollars (\$10,000,000) of the money in the fund shall be available for transfer by the board to the Clean Water Bond Guarantee Fund and shall be available to the board to guarantee local agency bond issues pursuant to Article 2.5 (commencing with Section 13425) of Chapter 6. After January 1, 1990, the board may transfer any funds in the Clean Water Bond Guarantee Fund which have not been committed to guaranteeing local agency bond issues to the 1988 Clean Water and Water Reclamation Fund.

14058. (a) The sum of thirty million dollars (\$30,000,000) of the money in the fund shall be deposited in the Water Reclamation Account and, notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated to the board for the purposes of this section.

(b) The board may enter into contracts with local public agencies having authority to construct, operate, and maintain water reclamation projects, for loans to aid in the design and construction of eligible water reclamation projects. The board may loan up to 100 percent of the total eligible cost of design and construction of an eligible reclamation project.

(c) Any contract for an eligible water reclamation project entered into pursuant to this section may include such provisions as determined by the board and shall include both of the following provisions:

(1) An estimate of the reasonable cost of the eligible water reclamation project.

(2) An agreement by the local public agency to proceed expeditiously with, and complete, the eligible water reclamation project; commence operation of the project in accordance with applicable provisions of law, and provide for the payment of the local public agency's share of the cost of the project, including principal and interest on any state loan made pursuant to this section.

(d) Loan contracts may not provide for a moratorium on payments of principal or interest.

(e) Any loans made from the fund may be for a period of up to 20 years. The interest rate for the loans shall be set at a rate equal to 50 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds, with that rate to be computed according to the true interest cost method. When the interest rate so determined, is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the next higher multiple of one-tenth of 1 percent.

(f) All money repaid to the state pursuant to any contract executed under this chapter shall be deposited in the General Fund as reimbursement for the payment of principal and interest on bonds authorized to be issued under this chapter

14059. As approved by the Legislature annually in the Budget Act, the board may expend for the administration of this chapter not more than 5 percent of the amount of the bonds authorized to be issued under this chapter

14060. As approved by the Legislature annually in the Budget Act, the board may, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out the purposes of this division, and may prepare recommendations with regard thereto, including the

preparation of comprehensive statewide or areawide studies and reports on water reclamation and the collection, treatment, and disposal of waste under a comprehensive cooperative plan.

14061. *The board may adopt rules, regulations, and guidelines necessary or appropriate to carry out this chapter.*

Article 3. Fiscal Provisions

14065. *Bonds in the total amount of sixty-five million dollars (\$65,000,000), exclusive of refunding bonds, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.*

14066. *The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.*

14067. (a) *Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the Clean Water and Water Reclamation Finance Committee is hereby created. For purposes of this chapter, the Clean Water and Water Reclamation Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Governor, the Controller, the Treasurer, the Director of Finance, and the Executive Director of the State Water Resources Control Board, or their designated representatives. A majority of the committee may act for the committee.*

(b) *For purposes of the State General Obligation Bond Law, the State Water Resources Control Board is designated the "board."*

14068. *Consistent with Section 602 of the federal act, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in Sections 14056, 14057, 14058, 14059, and 14060, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.*

14069. *There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which is necessary to collect that additional sum.*

14070. *Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:*

(a) *The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.*

(b) The sum which is necessary to carry out the provisions of Section 14071, appropriated without regard to fiscal years.

14071. For the purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized by the committee to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund plus the interest that the amounts would have earned in the Pooled Money Investment Account from money received from the sale of bonds for the purpose of carrying out this chapter.

14071.5 The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds which the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter. The board shall execute those documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

14072. All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

14073. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of the State General Obligation Bond Law.

14074. (a) Notwithstanding any other provision of this chapter and to the extent permitted by federal and state law, the money in the fund may be used to rebate to the federal government all arbitrage profits required by the Federal Tax Reform Act of 1986 or any amendment thereof or supplement thereto. To the extent that the money in the fund may not be used for that purpose due to restraints of federal or state law, any rebates required shall be paid from the General Fund or other sources as the Legislature may require.

(b) Notwithstanding any other provision of law, or rule or regulation, the board may enter into contracts, or procure those services and equipment, which may be necessary to ensure prompt and complete compliance with any provisions relating to the fund imposed by either the Federal Tax Reform Act of 1986 or the federal act.

14075. the Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

SEC. 3. Section 13459 of the Water Code is amended to read:

13459. (a) The sum of seventy-five million dollars (\$75,000,000) of the money in the fund shall be deposited in the Agricultural Drainage Water Account is appropriated for expenditure in the 1986-87 fiscal year for loans to agencies to aid in the construction of drainage water management units for the treatment, storage, or disposal of agricultural drainage water and the purposes set forth in this section. The board may loan an agency up to 100 percent of the total eligible costs of design and construction of an eligible project. Loans made in the 1986-87 fiscal year may not be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which

considers appropriations, to the policy committee of the Assembly as designated by the Speaker of the Assembly and the policy committee of the Senate designated by the Senate Rules Committee, and the Chairperson of the Joint Legislative Budget Committee.

(b) Any contract for an eligible project entered into pursuant to this section may include such provisions as determined by the board and shall include, in substance, all of the following provisions:

(1) An estimate of the reasonable cost of the eligible project.

(2) An agreement by the agency to proceed expeditiously with, and complete, the eligible project; commence operation of the containment structures or treatment works upon completion and to properly operate and maintain the works in accordance with applicable provisions of law; provide for payment of the agency's share of the cost of the project, including principal and interest on any state loan made pursuant to this section; and, if appropriate, apply for and make reasonable efforts to secure federal assistance for the state-assisted project.

(c) All loans pursuant to this section are subject to all of the following provisions:

(1) Agencies seeking a loan shall demonstrate, to the satisfaction of the board, that an adequate opportunity for public participation regarding the loan has been provided.

(2) Any election held with respect to the loan shall include the entire agency except where the agency proposes to accept the loan on behalf of a specified portion, or portions, of the agency, in which case the referendum shall be held in that portion or portions of the agency only.

(3) Loan contracts may not provide a moratorium on payment of principal or interest.

(4) Loans shall be for a period of up to 20 years ~~with an interest rate set annually by the board at 50 percent of the interest rate computed by the true interest cost method on bonds most recently issued pursuant to this chapter .~~ *The interest rate for the loans shall be set at a rate equal to 50 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds, with that rate to be computed according to the true interest cost method. When the interest rate so determined is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the next higher multiple of one-tenth of 1 percent.* The interest rate set for each contract shall be applied throughout the contract's repayment period. There shall be a level annual repayment of principal and interest on loans.

(5) The board in considering eligible projects shall give preference to technologies which treat drainage water where the board finds that the technology is readily available and economically feasible for the agency.

(6) No single project may receive more than twenty million dollars (\$20,000,000) in loan proceeds from the board.

(d) The board may make loans to local agencies, at the interest rates authorized under this section and under any terms and conditions as may be determined necessary by the board, for purposes of financing feasibility studies of projects potentially eligible for funding under this section. No single potential project shall be eligible to receive more than one hundred thousand dollars (\$100,000), and not more than 3 percent of the total amount of bonds authorized to be expended for purposes of this section may be expended for this purpose. A loan for a feasibility study shall not decrease the maximum amount of any other loan which may be made under this section.

SEC. 4. Section 13999.3 of the Water Code is amended to read:

13999.3. (a) There is in the State Treasury the 1984 State Clean Water Bond Fund, which fund is hereby created. There shall be established in the fund a Clean Water Construction Grant Account for the purpose of implementing Section 13999.8, a Small Communities Assistance Account for the purpose of implementing Section 13999.9, a Water Reclamation Account for the purpose of implementing Section 13999.10 and a Water Conservation Account for the purpose of implementing Section 13999.11.

(b) *From time to time, the board may modify existing accounts in the fund, or may establish other accounts in the fund, and in all other bond funds administered by the board, which the board determines are appropriate or necessary for proper administration.*

SEC. 5. Section 13999.5 of the Water Code is amended to read:

13999.5. (a) The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of three hundred twenty-five million dollars (\$325,000,000), in the manner provided in this chapter. The debt or debts, liability or liabilities, shall be created for the purpose of providing the fund to be used for the object and work specified in this section and in Sections 13999.6, 13999.8, 13999.9, 13999.10, 13999.11, and 13999.14.

(b) The board is authorized to enter into contracts with municipalities having authority to construct, operate, and maintain treatment works and reclamation projects, for grants and loans to the municipalities to aid in the construction of eligible projects and eligible water reclamation projects and may adopt rules and regulations necessary to carry out the provisions of this chapter.

(c) As approved by the Legislature annually in the Budget Act, the board may, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out the purposes of this division, and may prepare recommendations with regard thereto, including the preparation of comprehensive statewide or areawide studies and reports on the collection, treatment, and disposal of waste under a comprehensive cooperative plan.

(d) As approved by the Legislature annually in the Budget Act, the board may expend bond funds necessary for administration of this chapter.

(e) Not more than 5 percent of the ~~money deposited in the fund~~ *total amount of the bonds authorized to be issued under this chapter* may be used for purposes of subdivisions (c) and (d).

(f) As approved by the Legislature annually in the Budget Act, the department may direct grants and loans to any public agency or, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out voluntary, cost-effective capital outlay water conservation programs.

(g) The board may expend funds necessary to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code.

SEC. 6. Section 13999.10 of the Water Code is amended to read:

13999.10. (a) The sum of twenty-five million dollars (\$25,000,000) of the money in the fund shall be deposited in the Water Reclamation Account and is appropriated for loans to municipalities for eligible water reclamation projects which will provide water for beneficial uses.

The board may loan a municipality up to 100 percent of the total eligible costs of design and construction of a reclamation project.

(b) Any contract for an eligible water reclamation project entered into pursuant to this section may include such provisions as determined by the board and shall include both of the following provisions:

(1) An estimate of the reasonable cost of the eligible water reclamation project.

(2) An agreement by the municipality to proceed expeditiously with, and complete, the eligible water reclamation project; commence operation of the project in accordance with applicable provisions of law; provide for payment of the municipality's share of the cost of the project, including principal and interest on any state loan made pursuant to this section; and, if appropriate, apply for and make reasonable efforts to secure federal assistance, other than that available pursuant to the federal Clean Water Act, for the state-assisted project.

(c) Loan contracts may not provide for a moratorium on payments of principal or interest.

(d) *(1) Any loans made from the Water Reclamation Account shall be for a period of up to 25 years with an interest rate set annually by the board at 50 percent of the average interest rate paid by the state on general obligation bonds in the calendar year immediately preceding the year in which the loan agreement is executed. All principal and interest from loans shall be returned to the Water Reclamation Account for new loans. The interest rate for the loans shall be set at a rate equal to 50 percent of the interest rate paid by the state on the most recent sale of state general obligation bonds, with that rate to be computed according to the true interest cost method. When the interest rate so determined is not a multiple of one-tenth of 1 percent, the interest rate shall be set at the next higher multiple of one-tenth of 1 percent.*

(2) All principal and interest from loans shall be returned to the Water Reclamation Account for new loans.

(e) Funds available under this section may be used for loans pursuant to subdivisions (f), (g), and (h) of Section 13999.8 if the Clean Water Construction Grant Account is depleted. All principal and interest on any such loans shall be repaid to the Water Reclamation Account.

(f) No single project may receive more than ten million dollars (\$10,000,000) from the board.

SEC. 7. Section 13999.17 is added to the Water Code, to read:

13999.17. (a) Notwithstanding any other provision of this chapter and to the extent permitted by federal and state law, the money in the fund may be used to rebate to the federal government all arbitrage profits required by the Federal Tax Reform Act of 1986 or any amendment thereof or supplement thereto. To the extent that the money in the fund may not be used for that purpose due to restraints of federal or state law, any rebates required shall be paid from the General Fund or from other sources as required by the Legislature.

(b) Notwithstanding any other provision of law, or rule or regulation, the board may enter into contracts, or procure those services and equipment, which may be necessary to ensure prompt and complete compliance with any provisions relating to the fund imposed by either the Federal Tax Reform Act of 1986 or the federal act.

SEC. 8. Section 13999.18 is added to the Water Code, to read:

13999.18. Notwithstanding any other provision of this chapter, and as approved by the Legislature, the board may share in the cost of the construction of treatment works under subdivision (b) of Section 510 of the Federal Water Quality Act of 1987. That participation may be approved only if the board determines that treatment works in Mexico, in conjunction with any defensive

treatment works constructed under the Federal Water Pollution Control Act, are not sufficient to protect the residents of the City of San Diego and surrounding areas, including Imperial County, from water pollution originating in Mexico. No project in which the board participates shall receive more than ten million dollars (\$10,000,000) in loan proceeds from the board.

Number
on ballot

84. Housing and Homeless Bond Act of 1988. (Statutes 1988, Chapter 48, SB 1693)

[Approved by electors November 8, 1988]

PROPOSED LAW

SECTION 1. Part 9 (commencing with Section 53150) is added to Division 31 of the Health and Safety Code, to read:

PART 9. HOUSING AND HOMELESS BOND ACT OF 1988

CHAPTER 1. GENERAL PROVISIONS

53150. This part shall be known and may be cited as the Housing and Homeless Bond Act of 1988.

53151. As used in this part, the following terms have the following meanings:

(a) "Committee" means the Housing Committee created pursuant to Section 53172.

(b) "Fund" means the Home Building and Rehabilitation Fund created pursuant to Section 53160.

CHAPTER 2. HOME BUILDING AND REHABILITATION FUND

53160. The proceeds of bonds issued and sold pursuant to this part shall be deposited in the Home Building and Rehabilitation Fund, which is hereby created. Moneys in the fund shall be allocated and utilized in accordance with Part 8 (commencing with Section 53130), as added by Senate Bill No. 1692 of the 1987-88 Regular Session.

CHAPTER 3. FISCAL PROVISIONS

53170. Bonds in the total amount of three hundred million dollars (\$300,000,000), exclusive of refunding bonds issued pursuant to Section 53170.5, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this part and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.

53170.5. Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 2 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of these bonds shall include the approval of any bonds issued to refund any bonds originally issued or previously issued refunding bonds.

53171. The bonds authorized by this part shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of

the Government Code), and all of the provisions of that law apply to the bonds and to this part and are hereby incorporated in this part as though set forth in full in this part.

53172. (a) *Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this part, the Housing Committee is hereby created. For purposes of this part, the Housing Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, the Treasurer, the Director of Finance, the Director of the Department of Housing and Community Development, and the Executive Director of the California Housing Finance Agency, or their designated representatives. A majority of the committee may act for the committee.*

(b) *For purposes of the State General Obligation Bond Law, the Department of Housing and Community Development is designated as the "board" for programs administered by the department and the California Housing Finance Agency is designated as the "board" for programs administered by the agency.*

53173. *The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this part in order to carry out the actions specified in Part 8 (commencing with Section 53130) as added by Senate Bill No. 1692 of the 1987-88 Regular Session, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.*

53174. *There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds maturing each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which is necessary to collect that additional sum.*

53175. *Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this part, an amount that will equal the total of the following:*

(a) *The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this part, as the principal and interest become due and payable.*

(b) *The sum which is necessary to carry out the provisions of Section 53176, appropriated without regard to fiscal years.*

53176. *For the purposes of carrying out this part, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this part. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund, plus interest that the amounts would have earned in the Pooled Money Investment Account, from money received from the sale of bonds for the purpose of carrying out this part.*

53176.5. *The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for purposes of carrying out the provisions of this chapter. The amount of the request shall not exceed the amount of unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. The board shall execute any documents which are required by the Pooled Money Investment Board to obtain and repay the loan.*

Any amounts loaned shall be deposited in the fund to be allocated to the board in accordance with this chapter.

53177. All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

53178. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this part are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

*Number
on ballot*

85. Library Construction and Renovation Bond Act of 1988. (Statutes 1988, Chapter 49, SB 181)

[Approved by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. Chapter 11 (commencing with Section 19950) is added to Part 11 of the Education Code, to read:

CHAPTER 11. CALIFORNIA LIBRARY CONSTRUCTION AND RENOVATION BOND ACT OF 1988

Article 1. General Provisions

19950. This chapter shall be known and may be cited as the California Library Construction and Renovation Bond Act of 1988.

19951. The Legislature finds and declares all of the following:

(a) The public library is a supplement to the formal system of free public education, a source of information and inspiration to persons of all ages, cultural backgrounds, and economic statuses, and a resource for continuing education and reeducation beyond the years of formal education, and therefore deserves adequate financial support from government at all levels.

(b) It is in the interest of the people and of the state that there be a general diffusion of information and knowledge through the continued operation of free public libraries. This diffusion is a matter of general concern inasmuch as it is the duty of the state to provide encouragement to the voluntary lifelong learning of the people of the state.

(c) Many existing public library facilities are not safe, efficient, or accessible for use, adequate for the size of the communities they serve, or otherwise capable of providing the public library services needed by the communities they serve

(d) Many communities that are populous enough to require a public library facility do not have one.

(e) Local public library authorities do not have sufficient funds to construct or rehabilitate necessary public library facilities.

(f) Funding to meet the need for public library facilities, which is beyond the ability of local government to supply, is most appropriately met by a partnership of state and local governments.

19952. As used in this chapter, the following terms have the following meanings:

(a) "Committee" means the California Library Construction and Renovation Finance Committee created pursuant to Section 19972.

(b) "Fund" means the California Library Construction and Restoration Fund created pursuant to Section 19955.

(c) "Board" means the California Library Construction and Renovation Board. The board includes the State Librarian, the Treasurer, the Director of Finance, the Assembly Member appointed by the Speaker of the Assembly, and the Senator appointed by the Senate Rules Committee.

Legislative members of the board shall meet with, and participate in, the work of the board to the extent that their participation is not incompatible with their duties as Members of the Legislature. For the purposes of this chapter, Members of the Legislature who are members of the board shall constitute a joint legislative committee on the subject matter of this chapter.

Article 2. California Library Construction and Renovation Program

19955. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the California Library Construction and Renovation Fund, which is hereby created. Notwithstanding Section 13340 of the Government Code, the fund shall be continuously appropriated without regard to fiscal year.

19956. All moneys deposited in the fund shall be available for grants to any city, county, city and county, or district that is empowered at the time of the project application to own and maintain a facility for the acquisition, construction, remodeling, or rehabilitation of facilities for public library services.

19957. The grant funds authorized pursuant to Section 19956 and the matching funds provided pursuant to Section 19962 shall be used by the recipient for any of the following purposes:

(a) Acquisition or construction of new facilities or additions to existing facilities.

(b) Acquisition of land necessary for purposes of subdivision (a).

(c) Remodeling of existing facilities for energy conservation purposes.

(d) Remodeling of existing facilities to provide access for the disabled.

(e) Rehabilitation of existing facilities to bring them into compliance with current health and safety requirements for public facilities.

(f) Procurement and installation of shelving fastened to the structure, and built-in equipment required to make a facility fully operable.

(g) Payment of fees charged by architects, engineers, and other design professionals whose services are required to plan and execute a project authorized pursuant to this chapter.

19958. No grant funds authorized pursuant to Section 19956 or matching funds provided pursuant to Section 19962 shall be used by a recipient for any of the following purposes:

(a) Books and other library materials.

(b) Administration costs of the project, including, but not limited to, the costs of all of the following:

(1) Preparation of the grant application.

(2) Procurement of matching funds.

(3) Conducting an election for obtaining voter approval of the project.

(4) Plan checking and code compliance inspections.

(c) Interest or other carrying charges for financing the project, including, but not limited to, costs of loans or lease-purchase agreements in excess of the direct costs of any of the authorized purposes specified in Section 19957.

(d) Any ongoing operating expenses for the facility, its personnel, supplies, or any other library operations

19959. All construction contracts for projects funded in part through grants awarded pursuant to this chapter shall be awarded through competitive bidding pursuant to Part 3 (commencing with Section 20100) of the Public Contract Code.

19960. This chapter shall be administered by the State Librarian, who shall adopt rules, regulations, and policies for the implementation of this chapter.

19961. A city, county, city and county, or district may apply to the State Librarian for a grant pursuant to this chapter, as follows:

(a) Each application shall be for a project for a purpose authorized by Section 19957.

(b) The applicant shall request not less than thirty-five thousand dollars (\$35,000) per project.

(c) No application shall be submitted for a project for which construction bids already have been advertised.

19962. (a) Each grant recipient shall provide matching funds from any available source in an amount equal to 35 percent of the costs of the project. The remaining 65 percent of the costs of the project shall be provided through allocations from the fund.

(b) Qualifying matching funds shall be cash expenditures in the categories specified in Section 19957 which are made no earlier than three years prior to the submission of the application to the State Librarian. Except as otherwise provided in subdivision (c), in-kind expenditures shall not qualify as matching funds.

(c) Land donated or otherwise acquired for use as a site for the facility, including, but not limited to, land purchased more than three years prior to the submission of the application to the State Librarian, may be credited towards the 35 percent matching funds requirement at its appraised value as of the date of the application.

(d) Cash expenditures not to exceed 10 percent for furnishings required to make the facility fully operable may be credited towards the 35 percent matching funds requirement. The recipient shall certify to the board that these furnishings have an estimated useful life of not less than 10 years.

(e) Architect fees for plans and drawings for library renovation and new construction, including plans and drawings purchased more than three years prior to the submission of the application to the State Librarian, may be credited towards the 35 percent matching funds requirement.

19963. An amount not to exceed 1 percent of the cost of construction of the project may be used for appropriate works of art to enhance the facility.

19964. (a) The estimated costs of a project for which an application is submitted shall be consistent with normal public construction costs in the applicant's area.

(b) An applicant wishing to construct a project with costs which exceed normal public construction costs in the applicant's area may apply for a grant in an amount not to exceed 65 percent of the normal costs if the applicant certifies that it is capable of financing the remainder of the project costs from other sources.

19965. Once an application has been approved by the board and included in the State Librarian's request to the committee, the amount of funding to be provided to the applicant shall not be increased. Any actual changes in project costs shall be the full responsibility of the applicant. In the event that the amount of funding which is provided is greater than the cost of the project, the applicant shall return that portion of the funding which exceeds the cost of the project to the State Librarian.

19966. *In reviewing applications, the board shall consider all of the following factors:*

- (a) *Needs of urban and rural areas.*
- (b) *Projected population growth.*
- (c) *Changing concepts of public library service.*
- (d) *Distance of the proposed project from other existing and proposed facilities.*
- (e) *Age and condition of the facility.*

19967. (a) *A facility, or the part thereof, acquired, constructed, remodeled, or rehabilitated with grants received pursuant to this chapter shall be dedicated to public library direct service use for a period of not less than 20 years following completion of the project, or the useful life of the building, whichever is longer.*

(b) *If the facility, or part thereof, acquired, constructed, remodeled, or rehabilitated with grants received pursuant to this chapter ceases to be used for public library direct service prior to the expiration of the period specified in subdivision (a), the board shall be entitled to recover from the grant recipient or the recipient's successor in the maintenance of the facility, an amount which bears the same ratio to the value of the facility, or the appropriate part thereof, at the time it ceased to be used from public library direct service as the amount of the grant bore to the cost of the facility or appropriate part thereof. For purposes of this subdivision, the value of the facility, or the appropriate part thereof, shall be determined by the mutual agreement of the parties, or through an action brought for that purpose in the superior court.*

(c) *The board may release the grant recipient or the recipient's successor in the maintenance of the facility from its obligation under subdivision (a), and waive the requirements of subdivision (b), if the board determines that so doing would not diminish the quality of public library service in the community served by the facility.*

(d) *Notwithstanding subdivision (f) of Section 16724 of the Government Code, moneys recovered pursuant to subdivision (b) shall be deposited in the fund, and shall be available for the purpose of awarding grants for other projects.*

Article 3. Fiscal Provisions

19970. *Bonds in the total amount of seventy-five million dollars (\$75,000,000) (exclusive of refunding bonds), or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.*

19971. *The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.*

19972. (a) *Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the California Library Construction and Renovation Finance Committee is hereby created. For purposes of this chapter, the California Library*

Construction and Renovation Finance Committee is the "committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Treasurer, the State Librarian, the Director of Finance, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the California Library Construction and Renovation Board is designated the "board."

19973. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in Article 2 (commencing with Section 19955), and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

19974. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which is necessary to collect that additional sum.

19975. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out the provisions of Section 19976, appropriated without regard to fiscal years.

19976. For the purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund, with interest at the rate earned by the money in the Pooled Money Investment Account during the time the money was withdrawn from the General Fund pursuant to this section from money received from the sale of bonds for the purpose of carrying out this chapter.

19977. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. The board shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

19978. Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 2 of Title 2 of the Government Code. Approval by the electors of the state for the issuance of bonds shall include the approval of the issuance of any bonds issued to refund any bonds originally issued or any previously issued refunding bonds.

19979. *All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.*

19980. *The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.*

19981. *An amount not to exceed 1 percent of the fund may be used by the State Librarian for costs of administering this chapter.*

Number
on ballot

86. *County Correctional Facility Capital Expenditure and Youth Facility Bond Act of 1988.* (Statutes 1988, Chapter 264, SB 1664)

[Approved by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. Title 4.8 (commencing with Section 4496) is added to Part 3 of the Penal Code, to read:

TITLE 4.8. COUNTY CORRECTIONAL FACILITY CAPITAL EXPENDITURE AND YOUTH FACILITY BOND ACT OF 1988

CHAPTER 1. GENERAL PROVISIONS

4496. *This title shall be known and may be cited as the County Correctional Facility Capital Expenditure and Youth Facility Bond Act of 1988.*

4496.02. *The Legislature finds and declares all of the following:*

(a) *While the County Jail Capital Expenditure Bond Act of 1981, the County Jail Capital Expenditure Bond Act of 1984, and the County Correctional Facility Capital Expenditure Bond Act of 1986 have helped eliminate many of the critically overcrowded conditions found in county correctional facilities in the state, many problems remain.*

(b) *Numerous county jails and juvenile facilities throughout California are dilapidated and overcrowded.*

(c) *Capital improvements are necessary to protect life and safety of the persons confined or employed in jail facilities and to upgrade the health and sanitary conditions of those facilities.*

(d) *County jails are threatened with closure or the imposition of court supervision if health and safety deficiencies are not corrected immediately.*

(e) *Due to fiscal constraints associated with the loss of local property tax revenues, counties are unable to finance the construction of adequate jail and juvenile facilities.*

(f) *Local facilities for adults and juveniles are operating over capacity and the population of these facilities is still increasing. It is essential to the public safety that construction of new facilities proceed as expeditiously as possible to relieve overcrowding and to maintain public safety and security.*

4496.04. *As used in this title, the following terms have the following meanings:*

(a) *"Committee" means the 1988 County Correctional Facility Capital Expenditure and Youth Facility Finance Committee created pursuant to Section 4496.34.*

(b) "Fund" means the 1988 County Correctional Facility Capital Expenditure and Youth Facility Bond Fund created pursuant to Section 4496.10

(c) "County correctional facilities" means county jail facilities, including separate facilities for the care of mentally ill inmates and persons arrested because of intoxication, but does not include county juvenile facilities.

(d) "County juvenile facilities" means county juvenile halls, juvenile homes, ranches, or camps, and other juvenile detention facilities.

(e) "Youth center" means a facility where children, ages 6 to 17, inclusive, come together for programs and activities, including, but not limited to, recreation, health and fitness, delinquency prevention such as antigang programs and programs fostering resistance to peer group pressures, counseling for problems such as drug and alcohol abuse and suicide, citizenship and leadership development, and youth employment.

(f) "Youth shelter" means a facility that provides a variety of services to homeless minors living on the street or abused and neglected children to assist them with their immediate survival needs and to help reunite them with their parents or, as a last alternative, to find a suitable home.

CHAPTER 2. PROGRAM

4496.10. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the 1988 County Correctional Facility Capital Expenditure and Youth Facility Bond Fund, which is hereby created.

4496.12 (a) (1) Moneys in the fund, up to a limit of four hundred ten million dollars (\$410,000,000), may be available for the construction, reconstruction, remodeling, and replacement of county correctional facilities, and the performance of deferred maintenance on county correctional facilities. However, deferred maintenance for facilities shall only include items with a useful life of at least 10 years.

(2) Moneys in the fund, up to a limit of sixty-five million dollars (\$65,000,000), may be available for the construction, reconstruction, remodeling, and replacement of county juvenile facilities, and the performance of deferred maintenance on county juvenile facilities, but may only be used for the purpose of reducing overcrowding and eliminating health, fire, and life safety hazards.

(3) Expenditure shall be made only if county matching funds of 25 percent are provided as determined by the Legislature, except that this requirement may be modified or waived by the Legislature where it determines that it is necessary to facilitate the expeditious and equitable construction of state and local correctional facilities

(b) Moneys in the fund, up to a limit of twenty-five million dollars (\$25,000,000), may be available for the purpose of making awards to public or private nonprofit agencies or joint ventures, or a combination of those entities, for purpose of purchasing equipment and for acquiring, renovating, or constructing youth centers or youth shelters, as may be provided by statute. Fifteen million dollars (\$15,000,000) shall be available for youth centers and ten million dollars (\$10,000,000) shall be available for youth shelters and shall be distributed by the Department of the Youth Authority. However, any remaining money that has not been awarded under this subdivision within two years of the effective date of this title shall be available for both youth centers and youth shelters.

4496.16. In order to be eligible to receive funds for the purposes specified in subdivision (a) of Section 4496.12 derived from the issuance of bonds under this title, a county shall do all of the following:

(a) Adopt a plan to prohibit the detention of all juveniles in county jails unless otherwise authorized by law.

(b) Demonstrate that it has adequate facilities for mentally ill inmates or detainees and for those persons arrested because of inebriation, or demonstrate that it has a plan for the provision of services to these persons.

(c) Demonstrate that it has utilized, to the greatest practicable extent, alternatives to jail incarceration.

4496.19. Money in the fund may only be expended for projects specified in this chapter as allocated in appropriations made by the Legislature.

CHAPTER 3. FISCAL PROVISIONS

4496.30. Bonds in the total amount of five hundred million dollars (\$500,000,000), exclusive of refunding bonds, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this title and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.

4496.32. The bonds authorized by this title shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this title.

4496.34. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this title, the 1988 County Correctional Facility Capital Expenditure and Youth Facility Finance Committee is hereby created. For purposes of this title, the finance committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Governor, the Controller, the Treasurer, the Director of Finance, or their designated representatives. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the Board of Corrections is designated the "board."

4496.36. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in Section 4496.12 and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

4496.38. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which is necessary to collect that additional sum.

4496.40. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) *The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.*

(b) *The sum which is necessary to carry out the provisions of Section 4496.42, appropriated without regard to fiscal years.*

4496.42. *For the purposes of carrying out this title, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized by the committee to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section, plus any interest that the amounts would have earned in the Pooled Money Investment Account, shall be returned to the General Fund from money received from the sale of bonds for the purpose of carrying out this title.*

4496.44. *All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.*

4496.46. *The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code.*

4496.47. *The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out the provisions of this chapter. The amount of the request shall not exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. The board shall execute such documents as required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.*

4496.48. *The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this title are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.*

MEASURES DEFEATED

INITIATIVE STATUTES

Number
on ballot

95. **Hunger and Homelessness Funding.**

[Submitted by the initiative and rejected by electors November 8, 1988]

PROPOSED LAW

CALIFORNIA HUNGER AND HOMELESSNESS ACT

The People of the State of California do enact as follows:

SECTION 1. Findings and Declarations. The People of the State of California hereby find and declare all of the following:

(a) *Hunger and homelessness in California, particularly among children, the elderly, and Vietnam-era veterans, have reached epidemic proportions. More and more of the residents of this state are unable to adequately house or feed themselves and their families.*

(b) *One in every ten Californians, including more than one million children, rely on emergency food programs for bare sustenance, while thousands more are turned away. An estimated 200,000 Californians are homeless.*

(c) *Innovative steps to address the immediate and long-term problems of hunger and homelessness are necessary in order to provide assistance and prevent the spread of crime and disease.*

(d) *A cost-effective and locally implemented program of housing, nutrition, health screening, job referral, and employment training must be developed to stop hunger and homelessness in California. This program must build upon existing programs and volunteer efforts.*

(e) *This initiative will help alleviate the problems of hunger and homelessness without raising taxes or imposing new taxes on the People of California.*

SECTION 2. Section 19e of the Penal Code is hereby amended to read:

19e. The following offenses are subject to the provisions of subdivision (d) of Section 17; Sections 330, 415, 555, and 853.7, of the Penal Code; subdivision (m) of Section 602 of the Penal Code; subdivision (b) of Section 25658 and Sections 25661 and 25662 of the Business and Professions Code; Sections 27150.1, 40508, and 42005 of the Vehicle Code, Section 14601.1 of the Vehicle Code based upon failure to appear; *Section 31002 of the Health and Safety Code*, and any other offense which the Legislature makes subject to the provisions of subdivision (d) of Section 17. Except where a lesser maximum fine is expressly provided for violation of any of such sections, any such violation which is an infraction is punishable by a fine not exceeding two hundred fifty dollars (\$250).

Except for Section 14601.1 of the Vehicle Code, based upon failure to appear, a conviction for any offense made an infraction under subdivision (d) of Section 17 shall not be grounds for the suspension, revocation, or denial of any license, or for the revocation of probation or parole of the person convicted.

SECTION 3. Chapter 7.9 (commencing with Section 8699) is added to Division 1 of Title 2 of the Government Code, to read:

CHAPTER 7.9. HOUSING AND NUTRITION ASSISTANCE LAW

Article 1. General Provisions

8699. *Title; Purpose and Intent. This chapter shall be known and may be cited as "The California Housing and Nutrition Assistance Law." It is the intent of the People to provide through this chapter a method for providing the counties of this state with additional funds for the purpose of alleviating the problems of hunger and homelessness in California. To this end, it is the purpose of this chapter to establish the Corporation for California and to empower this Corporation to issue bonds, disburse funds, and take such other action specified herein in order to carry out the intent of the People.*

8699.1. *Definitions. For the purposes of this chapter, the following definitions shall apply:*

(a) *"Affordable," with respect to housing costs within this chapter, shall mean housing costs not exceeding 25 percent of gross income.*

(b) *"Area median income" shall mean the median family income of a geographic area of the state, as annually estimated by federal agencies pursuant to Section 8 of the United States Housing Act of 1937, as amended, or as otherwise estimated pursuant to the provisions of Health and Safety Code Section 50093(b).*

(c) "Board" shall mean the board of directors of the Corporation for California.

(d) "Bond" or "Bonds" shall mean bonds, savings bonds, warrants, notes, bond anticipation notes, commercial paper or other evidences of indebtedness, or lease, installment purchase, or other agreements or certificates of participation therein.

(e) "Corporation" shall mean the Corporation for California.

(f) "Homeless person" or "the homeless" shall mean a person or persons lacking the financial resources, mental capacity, or community ties needed to obtain housing, and shall include a person or persons at immediate risk of becoming homeless.

(g) "Hungry person" or "the hungry" shall mean a person or persons lacking the financial resources, mental capacity, or community ties needed to obtain a nutritionally adequate diet, and shall include a person or persons at immediate risk of becoming hungry.

(h) "County" shall mean a county of this state, except that where the board shall elect to disburse funds to another political subdivision of this state pursuant to the provisions of Section 8699.41 (a), "county" shall mean such other political subdivision.

8699.3. *Amendment and Repeal.* This chapter may be amended or repealed by the procedures set forth in this section. If any portion of subdivision (a) is declared invalid, then subdivision (b) shall be the exclusive means of amending or repealing this chapter.

(a) This chapter may be amended to further its purposes by statute, passed in each house by rollcall vote entered in the journal, two-thirds of the membership concurring, and signed by the Governor, if at least 12 days prior to passage in each house the bill in its final form has been delivered to the board for distribution to the news media and to every person who has requested the board to send copies of such bills to him or her.

(b) This chapter may be amended or repealed by a statute that becomes effective only when approved by the electors.

Article 2. Corporation for California.

8699.5. *Creation of Corporation.*

(a) There is hereby created within the Business, Transportation, and Housing Agency the Corporation for California (hereinafter, the "Corporation"), which shall provide funds to the counties or other political subdivisions of this state for services for hungry and homeless persons, and may additionally provide funds to qualified private nonprofit agencies for demonstration and pilot programs assisting hungry and homeless persons. The Corporation constitutes a public instrumentality and a political subdivision of the state, and the exercise by the Corporation of the powers conferred by this chapter shall be deemed and held to be the performance of an essential public function. The corporation shall not be subject to laws or regulations which govern the rights, duties, operations, or taxation of corporations in this state.

(b) The Corporation shall be administered by a board of directors consisting of the following voting members:

(1) Four members appointed by the Governor, three of whom shall be persons having the following qualifications: two who shall be selected from a panel of names submitted for consideration by the County Supervisors Association of California; and one who shall be selected from a panel of names submitted for consideration by the League of California Cities. The remaining appointee shall

be a person who, in the judgment of the Governor, has demonstrated a commitment to the problems of hunger and homelessness.

(2) Five members appointed by the Senate Rules Committee, four of whom shall be persons having the following qualifications: one who shall be affiliated with a privately funded agency or organization which provided services to the hungry or homeless prior to January 1, 1987; one who shall be a provider of emergency nutrition services; one who shall be an official or employee of a local housing authority, and one who shall be affiliated with a Community Action Agency, as defined in Government Code Section 12750, which provides services to hungry or homeless persons. The remaining appointee shall be a person who, in the judgment of the Senate Rules Committee, has demonstrated a commitment to the problems of hunger and homelessness.

(3) Five members appointed by the Speaker of the California Assembly, four of whom shall be persons having the following qualifications: one who shall be affiliated with a provider of services to the hungry or homeless; one who shall have experience as a non-profit housing developer; one who shall be affiliated with a provider of federal food program services; and one who shall be affiliated with a provider of services to homeless adolescents. The remaining appointee shall be a person who, in the judgment of the Speaker of the California Assembly, has demonstrated a commitment to the problems of hunger and homelessness.

(4) The State Treasurer.

8699.6. Qualifications and Terms of Members.

(a) Members of the board shall be persons broadly reflective of the economic, cultural, geographic (including urban and rural), and social diversity of the state, including ethnic minorities and women. However, it is not intended that formulas or specific ratios be applied in order to achieve that diversity.

(b) The members shall be appointed for terms of three years. All initial appointments shall be made within 30 days of the effective date of this chapter. Vacancies shall be filled within 30 days by the appointing authority empowered by Section 8699.5 (b) to appoint the member whose departure created the vacancy. A person appointed to fill a vacancy shall serve for the unexpired portion of the term in which the vacancy occurred. Members of the board shall be eligible for reappointment.

8699.7. Compensation and Expenses. Members of the board of directors shall be compensated at the rate of one hundred dollars (\$100) for each day they are engaged in meetings of the board or its committees or subcommittees. Members shall be reimbursed for actual expenses incurred on Corporation business, including necessary travel and child care expenses as determined by the Department of Personnel Administration.

8699.8. Chairperson. The board of directors shall meet within 60 days of the effective date of this Act for the purpose of selecting from among its membership an interim chairperson who shall serve until a permanent chairperson has been selected by the board. Thereafter, the board shall annually select from its membership a chairperson. The chairperson shall have the power to convene special meetings of the board upon 48 hours written notice to members.

8699.9. Open Meetings. Meetings of the Corporation shall be open and public in accordance with the Bagley-Keene Open Meeting Act, commencing with Section 11120 of Chapter 1 of Part 1 of Division 3 of the Government Code.

8699.10. Quorum; Voting. A quorum shall consist of eight members of the board. All decisions of the Corporation shall be made by a majority vote of the quorum.

8699.11. *Appointment of Executive Director.* The board shall appoint an executive director within 120 days of the effective date of this chapter. The executive director shall be responsible for managing the affairs of the Corporation and shall, in the judgment of the board, be qualified by training and experience to direct the operations of the Corporation. The executive director shall be exempt from civil service, shall serve at the pleasure of the board, and shall be compensated at the same rate as the president of the Public Utilities Commission. The executive director shall devote his or her entire time and attention to the duties of his or her office and shall not be engaged in any other profession or occupation.

8699.12. *Deputy Director.* Upon recommendation of the executive director, the board may appoint a deputy director who shall be exempt from civil service and shall serve at the pleasure of the board. The executive director shall supervise the activities of the deputy director. The board shall determine the compensation of the deputy director.

8699.13. *Appropriation; Disclosure in State Budget; Hearings.*

(a) *The Department of Finance, in preparing the state budget and the Budget Bill submitted to the Legislature, shall include an item for the support of the Corporation of California, which item shall include all of the following: (1) all net proceeds of penalties collected pursuant to the provisions of Division 22.5 of the Health and Safety Code, except as otherwise provided in Section 31040 thereof; (2) all proceeds from the sale of bonds issued pursuant to Article 3 of this chapter; (3) such other amounts as may from time to time be appropriated by the Legislature pursuant to this section; and (4) such other amounts as may from time to time be appropriated by law.*

(b) *At the conclusion of the first full fiscal year following the effective date of this chapter, the Legislature shall by appropriate committee hold public hearings to determine whether additional appropriations are required to further the purposes of this chapter, and whether adaptations are required in the housing, homeless, nutrition, and code enforcement programs established by this Act in order to further the Act's purposes. In making this determination, the Legislature shall consider reports and other documents prepared by the board and such other evidence as it shall deem necessary.*

8699.14. *Rules and Regulations.* The Corporation shall have the power to adopt, and from time to time amend and repeal, by action of the board, rules and regulations to carry into effect the powers and purposes of the Corporation and the conduct of its business. These rules and regulations shall be adopted in accordance with the Administrative Procedures Act (Government Code, Title 2, Division 3, Part 1, Chapter 3.5, Sections 11340, et seq.), shall be published as provided therein, and shall be consistent with the provisions of this chapter.

8699.15. *Powers and Duties.* The Corporation shall have all powers necessary to effectuate the purposes of this chapter, including, but not limited to, the following powers:

- (a) *To sue and be sued in its own name.*
- (b) *To have perpetual succession.*
- (c) *To maintain offices at such place or places within the state as it may designate.*
- (d) *To accept grants, contributions, and appropriations.*
- (e) *Notwithstanding any other provision of law, to make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions under this chapter with any governmental agency, private corporation or other entity, or individual.*

(f) To acquire real or personal property, or any interest therein, on either a temporary or long-term basis in its own name by gift, purchase, transfer, foreclosure, lease, option, or otherwise, including easements or other incorporeal rights in property.

(g) To hold, sell, assign, lease, encumber, mortgage, or otherwise dispose of any real or personal property or any interest therein.

(h) To borrow money, issue Bonds, and enter into agreements, as provided in this chapter.

(i) To employ attorneys and such other personnel as may be necessary to accomplish the purposes of this chapter;

(j) Notwithstanding Section 19058 of the Government Code, to make temporary appointments to all professional staff positions for nine months or until such time as employment lists are prepared for such positions by the State Personnel Board.

(k) To do any and all things necessary to carry out its purposes and exercise the powers expressly granted by this division.

Article 3. Bonds.

8699.20. *Authority to Issue Bonds.* The Corporation may from time to time issue Bonds in a principal amount which the Corporation determines necessary to provide sufficient funds for the following purposes

(a) Qualified low-income housing development projects;

(b) For any other purpose set forth in this chapter;

(c) For the refunding of any Bonds.

In connection with, or incidental to, the sale and issuance of the Bonds, the Corporation is authorized to provide for or cause to be provided for bond issuance, credit enhancement or liquidity agreements or any contracts determined to be necessary and appropriate to place the investment in whole or in part, on the interest rate, currency, cash-flow, or other basis desired by the Corporation. The Bonds may be made payable in whole or in part, in currency other than lawful money of the United States if the Corporation so provides.

8699.21. *Payment of Bonds.* Except as may otherwise be expressly provided by resolution of the Corporation, every issue of its Bonds shall be considered a general obligation of the Corporation payable out of any assets, revenues, or moneys of the Corporation, subject only to any agreements with the holders of particular Bonds pledging any particular assets, revenues, or moneys.

8699.22. *Resolution Authorizing Bonds.* The Bonds shall be authorized by resolution or resolutions of the Corporation. Said resolution or resolutions shall prescribe the form of the Bonds, shall fix the date or dates and the time or times of maturity of the Bonds and shall appoint a Trustee. The Bonds may be issued as serial bonds or as term bonds, or as a combination thereof, and, notwithstanding any other provision of law, the amount of principal of, or interest on, Bonds maturing at each date of maturity need not be equal. The Bonds shall bear interest at such rate or rates, be in such denominations, be in such form, be executed in such manner, be payable in such medium of payment at such place or places within or without the state, and contain such terms and conditions as such resolution or resolutions may provide. The Bonds of the Corporation shall be sold at public or private sale by the State Treasurer at, above, or below par value, on such terms and conditions and for such consideration in such medium of payment as the Corporation shall determine by resolution prior to the sale.

Neither the members of the Corporation nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

8699.23. Savings Bonds. In order to permit and encourage the participation of small investors in programs designed to alleviate hunger and homelessness in California, the board shall be empowered to authorize the issuance of zero coupon bonds or savings bonds in denominations not exceeding \$100, provided that such bonds may only be authorized by a resolution conforming with the provisions of Section 8699.22 and other applicable provisions of this article.

8699.24. Provision for Redemption. In the resolution or resolutions providing for the issuance of the Bonds, the Corporation may provide for the call and redemption of all or any part of the Bonds on any interest payment date prior to their fixed maturity. The Bonds to be called for redemption prior to maturity shall be selected in such manner as the Corporation may set forth in such resolution or resolutions. If a Bond is subject to call and redemption a statement to that effect shall be set forth on the face of the Bond.

8699.25 Provision for Refunding.

(a) The Corporation may provide for the issuance of Bonds of the Corporation for the purpose of refunding any Bonds or any series of Bonds of the Corporation then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption, purchase, or maturity of the Bonds.

(b) The proceeds of any Bonds issued for the purpose of refunding of outstanding Bonds may, in the discretion of the Corporation, be applied to the purchase, redemption prior to maturity, or retirement at maturity of any outstanding Bonds on their earliest redemption date or dates, upon their purchase or maturity, or paid to a third person to assume the Corporation's obligation to make the payments, and may, pending that application, be placed in escrow to be applied to the purchase, retirement at maturity, or redemption on the date or dates determined by the Corporation.

(c) Any proceeds placed in escrow may, pending their use, be invested and reinvested in obligations or securities authorized by resolutions of the Corporation, payable or maturing at the time or times as are appropriate to assure the prompt payment of the principal, interest, and redemption premium, if any, of the outstanding Bonds to be refunded at maturity or redemption of the Bonds to be refunded either at their earliest redemption date or dates or any subsequent redemption date or dates. The interest, income and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding Bonds to be refunded or to the payment of interest on the refunding Bonds. After the terms of the escrow have been fully satisfied and carried out, any balance of the proceeds and interest, income and profits, if any, earned or realized on the investments thereof may be returned to the Corporation for use by the Corporation.

(d) All of the refunding Bonds are subject to this chapter in the same manner and to the same extent as other Bonds issued pursuant to this chapter.

8699.26. Separate Accounts Created Pursuant to Bondholders' Agreements. Pursuant to any agreements with the holders of particular Bonds pledging any particular assets, revenues, or moneys, the Corporation may create separate accounts in the fund to manage assets, revenue, or moneys in the manner set forth in such agreements.

8699.27. Investment of Surplus Funds. The Corporation shall from time to time direct the State Treasurer to invest moneys in the Fund which are not

required for its current needs, including proceeds from the sale of any Bonds, in such eligible securities specified in Section 16430 of the Government Code as the Corporation shall designate.

Article 4. California Housing Fund.

8699.30. Creation of Fund.

(a) There is hereby created within the State Treasury the California Housing Fund, which is continuously appropriated for carrying out the purposes of this chapter without regard to fiscal years. Unless otherwise ordered by the board of directors, the fund shall receive all proceeds of loans issued by the Corporation, all net proceeds from the sale of Bonds, and an amount equal to not less than ten percent of all penalties collected under Division 22.5 of the Health and Safety Code. The Treasurer shall designate a depository to receive proceeds of such penalties for transmission to the State Treasury and for deposit in the California Housing Fund.

(b) Pursuant to a finding by the board that significant additional funding is available from other sources and that the need for funding under this article is substantially reduced, the board may by resolution transfer moneys from the California Housing Fund to the California Emergency Housing and Nutrition Fund.

8699.31. Disbursements from the California Housing Fund. Funds shall be disbursed from the California Housing Fund at the direction of the board of directors to public or private agencies for any of the following purposes:

(a) To provide long-term debt financing for qualified low-income housing development programs. For the purposes of this article, "qualified low-income housing development programs" means those programs in which at least 30 percent of the program's units remain affordable, for a period of at least 30 years, to families earning below 50 percent of the area median income.

(b) To fund the development of foreclosed and other distressed properties held by financial institutions.

(c) To establish a mortgage guarantee program for qualified low-income purchasers.

(d) To provide short-term low-interest loans to qualified low-income housing development programs, not to exceed five years in duration, for predevelopment costs, including, but not limited to, site control, title searches, and preliminary drawings.

(e) To accomplish any other purpose set forth in this chapter, as determined by the board of directors.

Article 5. California Emergency Housing and Nutrition Fund

8699.40. Creation of Fund. There is hereby created within the State Treasury the California Emergency Housing and Nutrition Fund, which is continuously appropriated for carrying out the purposes of this article without regard to fiscal years. Unless otherwise provided by resolution of the board of directors, the Fund shall receive eighty percent (80%) of all proceeds of penalties collected under Division 22.5 of the Health and Safety Code. The Treasurer shall designate a depository for all such penalties for transmission to the State Treasury and for deposit in the California Emergency Housing and Nutrition Fund.

8699.41. Disbursements from the California Emergency Housing and Nutrition Fund. Funds shall be disbursed from the California Emergency Housing and Nutrition Fund at the order of the board of directors for the following purposes:

(a) To counties for the purpose of providing temporary housing and food for persons in immediate need of either, or both, for expanding the availability of health and nutrition programs, employment services, education, and other basic services, and to create new and rehabilitated units of permanent low-cost housing; provided that no more than eighty seven and one half percent (87-½%) of the annual proceeds of the Fund may be used for these purposes; and provided further that the board may disburse funds to other political subdivisions of this state where historic service patterns or population factors shall in the judgment of the board require such disbursements.

(b) For administration, staffing and personnel expenses, policy development, and research; for demonstration projects in service or geographic areas where new service types or patterns are needed; and for model programs developed or to be developed by private nonprofit organizations for the purpose of enhancing the ability of service providers and program advocates to communicate with one another and to have access to relevant and timely information in order to strengthen their effectiveness in increasing the availability and quality of services for hungry and homeless persons; provided that no more than twelve and one half percent (12-½%) of the the annual proceeds of the Fund may be used for these purposes.

(c) The board of directors shall require that ninety percent (90%) of all funds disbursed pursuant to subdivision (a) of this section shall be allocated among the counties in the same proportions as processing agencies within each county have transferred monies to the California Emergency Housing and Nutrition Fund, pursuant to Section 31040 of the Health and Safety Code, within the preceding fiscal year. In allocating funds prior to the termination of the first fiscal year following the effective date of this chapter, the board may utilize such lesser time period as it shall deem appropriate.

8699.42. *Grant Application Procedure.* Prior to the allocation of any moneys from the California Emergency Housing and Nutrition Fund pursuant to the provisions of Section 8699.41(a), any county requesting disbursements shall submit an application for funds in such form as required by the board of directors. The application shall include a copy of a county plan prepared pursuant to Section 8699.43, and shall also include, but shall not be limited to, the following information:

(a) Data reflecting the full extent of the problem of hunger and homelessness within the recipient county, the number and resources of existing agencies within the recipient county which are responsible in whole or in part for alleviating the problem, and the amount of additional resources which the applicant believes will be required to fully alleviate the condition of hunger and homelessness within the recipient county;

(b) A description of programs for the alleviation of hunger and homelessness in which the recipient is currently engaged, including data reflecting the cost and the amount of service provided by such programs;

(c) A description of programs for the alleviation of hunger and homelessness in which the recipient proposes to engage, including data reflecting the anticipated cost and the amount of service provided by such programs.

(d) Evidence that the plan has been coordinated with and reviewed by the Federal Emergency Management Act Board(s), if such Boards exist in the county.

(e) Such additional data as the board of directors may require.

8699.43. *Adoption of County Plans.* Any county applying for an allocation of moneys from the California Emergency Housing and Nutrition Fund shall prepare and submit with the application provided for in Section 8699.42 a county

plan. The plan shall be prepared in accordance with the following terms and conditions:

(a) The Board of Supervisors shall appoint a committee of no fewer than nine members, or may utilize an existing committee which otherwise satisfies the requirements of this section. The committee shall include representatives of cities within the county which provide homeless or nutrition programs, representatives of local Housing Authorities, and public or private agencies providing services to homeless or hungry persons within the county. The Corporation may require additional membership on this committee.

(b) In consultation with, and pursuant to guidelines and regulations promulgated by, the Corporation, the committee shall prepare a plan addressing problems of hunger and homelessness within the county. The plan shall include such information as required by the Corporation. The plan must provide for transitional as well as crisis services, and may propose funding for the following programs:

(i) Existing and proposed emergency shelters for homeless families and individuals. Such shelters must include an array of short-term supportive services and transitional services. Funds may be used for staffing and operational costs as well as capital outlay. Funds may be used for emergency needs, such as storage services or daytime service centers.

(ii) Existing and proposed transitional housing services.

(iii) Existing and proposed emergency food services; costs of transportation and storage of surplus food and distribution to agencies serving the hungry and homeless; home delivered meal services for elderly or adult disabled individuals who are at risk of becoming homeless or institutionalized.

(iv) Existing and proposed nutrition information and referral programs which assist in the receipt of benefits from existing federal, state and other emergency programs, or which promote maximum statutory and regulatory flexibility for increasing participation in such programs

(v) Existing and proposed health screening services in homeless and emergency sites. These may include referral for treatment of alcohol and drug dependency.

(vi) Existing and proposed job counseling and referral programs for persons using emergency housing or nutrition services. Such services shall be designed to meet the needs of specific groups, such as adolescents, single adults, and heads of household

(vii) Existing and proposed child care and education services designed to assist homeless or hungry persons find employment or permanent housing or to address critical development needs of homeless children or adolescents. Such services may be on-site or provided through vouchers usable in community child care and development programs. Services may include counseling and referral programs which support the enrollment of homeless adolescents in programs which ensure their independence. Services may include youth crisis intervention programs, where the county plans show they are lacking

(viii) Existing and proposed emergency rent assistance programs or utility hook-up programs, security deposit revolving loan funds, and vouchers for single-room occupancy or other residential hotels.

(ix) Existing and proposed medical and psychological referral and social support services for the mentally ill.

8699.44. Approval of County Plans. Prior to any disbursement of funds to any county pursuant to the provisions of Section 8699.41(a), the board shall review or cause to be reviewed and shall approve that county's application and

county plan. The board may impose upon any disbursement or grant of funds to any county such terms and conditions as it shall deem necessary to further the purposes of this chapter. The board shall provide by regulation a method for ensuring compliance with the terms and conditions of any disbursement or grant of funds, and may alter, reduce, or terminate disbursements or grants to any county which fails or refuses to comply with such terms or conditions.

8699.45. *Use of Funds.* Funds disbursed pursuant to this chapter shall only supplement and not supplant funds previously allocated for these purposes. Funds may be used for both capital and operating costs, as specified in the county plan. No county shall be required to divert existing funding for mental health, alcohol or drug programs to provide for services under this chapter.

SECTION 4. Section 26586 of the Health and Safety Code is hereby repealed.

~~26586. The health officer shall set a time for an informal hearing, at which the parties may be heard before him or his representatives. A notice in writing shall be served upon the interested parties at least 15 days prior to such hearing. The informal hearing shall be private and limited to questions of fact. Appearancees may be made in person or by attorney. Testimony may be taken and evidence introduced as to the correctness of the findings made by the person making the examination or performing the analysis.~~

SECTION 5. Section 26587 of the Health and Safety Code is hereby amended to read:

26587. *When Findings to be Certified to District Attorney.* If the examination or analysis is found to be correct, ~~or if any party fails to appear after notice has been duly given,~~ the health officer may certify the facts found to the district attorney of the county. ~~No publication shall be made until after the hearing is concluded.~~

SECTION 6. Section 26802 of the Health and Safety Code is hereby amended to read:

26802. One-half of all fines collected by any court or judge for any violation of any provision of this division, *except as provided in section 31040*, shall be paid into the State Treasury to the credit of the General Fund.

SECTION 7. Section 26812 of the Health and Safety Code is hereby repealed.

~~26812. The department is not required to institute proceedings under this division for minor violations of this division, if the department believes that the public interest will be adequately served in the circumstances by a suitable written notice or warning.~~

SECTION 8. Division 22.5 (commencing with Section 31000) is hereby added to the Health and Safety Code to read:

DIVISION 22.5. ENFORCEMENT OF HOUSING AND FOOD PREPARATION LAWS

CHAPTER 1. OFFENSES AND GENERAL PROVISIONS

31000. *Statement of Intent.* It is the intent of the People to provide through this Division an alternative method for enforcement of housing and food preparation laws in order to supplement, but not to replace, misdemeanor enforcement. To this end, the People hereby find and declare that the problems of hunger and homelessness are matters of statewide concern, and that a uniform citation system of fines and penalties for housing and food preparation offenses is required in order to ensure statewide conformity in enforcement. It is the further intent of the People that this division shall be mandatory upon all counties, issuing agencies, and processing agencies in this state.

31001. Infraction Penalties. *Notwithstanding any other provision of law imposing a greater penalty, any person who violates any provision of any part, chapter of a division, or division included within Section 31002 is guilty of an infraction, and upon conviction shall be subject to a penalty not to exceed two hundred fifty (\$250) dollars. Each day's violation is a separate and distinct offense.*

31002. Violations of Housing and Food Preparation Laws. *For the purposes of this division, and notwithstanding any other provision of law, a violation of any provision of the following parts, chapters of a division, or divisions of this Code, or any standard, rule, or regulation adopted or promulgated pursuant to the following parts, chapters of a division, or divisions of this Code, shall constitute an infraction and not a misdemeanor, except as provided in Section 31003:*

(a) Part 1.5 (commencing with Section 17910) of Division 13, relating to buildings for human habitation; the building standards published in the State Building Standards Code relating to the provisions of Part 1.5 of Division 13; or any other rule or regulation promulgated pursuant to the provisions of Part 1.5 of Division 13.

(b) Chapter 5, exclusively, of Division 21 (commencing with Section 26000), relating to food.

(c) Chapter 4 (retail food facilities), Chapter 5 (cold storage), Chapter 5.5 (frozen food), Chapter 6 (bakeries), Chapter 7 (food sanitation), and Chapter 12 (frozen foods), exclusively, of Division 22 (commencing with Section 27000), relating to foods, restaurants, bakeries, frozen foods, and retail food processing

31003. Misdemeanor Penalties. *Notwithstanding any other section of this chapter, any violation of a provision of a part, chapter of a division, or division, included within Section 31002, or a standard, rule, or regulation adopted or promulgated pursuant to a provision of a part, chapter of a division, or division, included within Section 31002, may in the discretion of the prosecutor be charged as a misdemeanor, punishable as provided in the respective part, chapter of a division, or division so violated, whenever the condition causing the violation continues to exist unabated for twenty-four (24) hours from the time and date of the first notice of violation issued pursuant to this division, or if the condition results in injury to any person. Prior notice of a violation shall not be an element of the misdemeanor offense.*

31004. Construction. *Except as specifically provided, the provisions of this division shall not be construed as repealing, either directly or by implication, any of the existing sections in the parts, chapters of any division, or divisions, included within Section 31002, but shall be construed as constituting an alternative method of enforcing the provisions of those parts, chapters of divisions, or divisions. It is not intended that any of the powers or rights granted to state or local agencies to enforce the parts, chapters of divisions, or divisions, included within Section 31002 be weakened in any manner including, but not limited to, the power or right to enter or inspect premises, to seek abatement, to seek injunctions, to require registrations, permits or licenses, to suspend or revoke registrations, permits or licenses, to seize, embargo, quarantine, tag, condemn any building or article or to declare an article a nuisance.*

31005. Amendment and Repeal. *This division may be amended or repealed by the procedures set forth in this section. If any portion of subdivision (a) is declared invalid, then subdivision (b) shall be the exclusive means of amending or repealing this division.*

(a) *This division may be amended to further its purposes by statute, passed in each house by rollcall vote entered in the journal, two-thirds of the membership concurring, and signed by the Governor, if at least 12 days prior to passage in each house the bill in its final form has been delivered to the board for distribution to the news media and to every person who has requested the board to send copies of such bills to him or her.*

(b) *This division may be amended or repealed by a statute that becomes effective only when approved by the electors.*

CHAPTER 2. PROCEDURE ON VIOLATIONS

31010. *Application of Chapter. This chapter governs the procedure for enforcement and prosecution of any infraction offense defined in Section 31002 of this division.*

31011. *"Processing Agency". For the purposes of this division, "processing agency" means any city, county, court within a county, or private vendor, or any subdivision of any such entity, which processes notices of parking violations and notices of delinquent parking violations pursuant to the provisions of Article 3 (commencing with Section 40200) of Chapter 1 of Division 17 of the Vehicle Code.*

31012. *"Issuing Agency". For the purposes of this division, "issuing agency" means any entity of state or local government empowered to enforce the provisions of any part, chapter of a division, or division of this Code included in Section 31002, except any processing agency defined in Section 31011.*

31013. *"Issuing Agency Official". For the purposes of this chapter, "issuing agency official" means any person employed by an issuing agency for the purpose, in whole or in part, of enforcing the provisions of any part, chapter of a division, or division of this Code included in Section 31002.*

31014. *Notice: Contents and Procedure. Notwithstanding any other provision of law, an issuing agency official may prepare in triplicate, on a form approved by the Judicial Council, a written notice of violation when the enforcement official has reasonable cause to believe that any person has violated a provision of a part, chapter of a division, or division included in Section 31002. For all such violations, notice shall be given as follows:*

(a) *At the time of the discovery of the infraction, the enforcement official shall personally present to the person believed to be in violation, if present on the premises, a notice setting forth the violation. Such notice shall include reference to the section and subdivision of this Code so violated, the time and date of the inspection, a brief description of the substance of the violation, and a time and place for appearance by the violator. The time specified shall be at least ten days after such notice of violation is delivered. Every written notice of a violation pursuant to this section shall also include a statement of the penalty and fees for that violation and the address of the person authorized to receive a deposit of the penalty, to whom payments thereof may be sent, and a statement in bold print that payments of the penalty for such offenses may be sent through the mail. The giving of notice pursuant to this section shall be complete upon delivery of a copy of such notice to such person.*

(b) *If a person believed to be in violation of this chapter is not present on the premises at the time of the discovery of the infraction, the issuing agency official shall cause a copy of the notice described in subdivision (a) of this Section to be deposited in the United States mail addressed to the violator at his or her current address, as shown by the records of any public agency. Such copy shall be mailed within 48 hours of the inspection at which the infraction was discovered. The*

delivery of notice pursuant to this subdivision is complete upon the expiration of 10 days after the deposit of such notice.

31015. Place to Appear. The place specified in the notice of violation shall be the offices of the processing agency nearest to the site of the violation.

31016. Amount of Penalty. The infraction penalty imposed under this division shall be established by the issuing agency in consultation with the court subject to the same limitations as bail and surcharges established under Section 1269b of the Penal Code and Chapter 12 (commencing with Section 76000) of Title 8 of the Government Code. The Judicial Council, in consultation with the courts, shall ensure that the infraction penalties are reasonable and, to the extent possible, uniform throughout the state. In addition, the Judicial Council shall work with local issuing agencies and the courts to ensure, to the extent possible, that a minimum of \$50,000,000 per year and a maximum of \$90,000,000 per year is collected in infraction penalties statewide.

31017. Processing Fee. Notwithstanding any other provision of law, including but not limited to any provision relating to state funding of trial courts by block grants or other means, each processing agency may assess a processing fee for each violation in an amount, as determined by the processing agency, that is sufficient, together with other such fees, to provide a total amount equal to the actual costs of the processing agency and courts in processing all infraction citations issued under the provisions of this chapter.

31018. Termination of Proceedings. If the infraction penalty and processing fee are received by the person authorized to receive the deposit of the infraction penalty by the time and date fixed for appearance on the notice of violation, the proceedings under this chapter shall terminate.

31019. Contest of Proceedings. If a person appears before the person authorized to receive a deposit of the infraction penalty in response to a notice of violation and contests it, the processing agency shall proceed in accordance with Section 31024.

31020. Notice of Delinquent Violation.

(a) If the payment of the infraction penalty and processing fee is not received by the person authorized to receive a deposit of the infraction penalty by the time and date fixed for appearance on the notice of violation, the processing agency shall serve or mail to the person believed to be in violation a notice of delinquent violation.

(b) Delivery of a notice of delinquent violation under this section may be made by personal service or by first-class mail addressed to the person believed to be in violation.

31021. Contents of Notice. The notice of delinquent violation shall contain the information specified in Section 31014, and additionally shall contain a notice in bold type that, unless the person believed to be in violation makes payment of the penalty, or causes payment of the penalty to be made, in person or through the mail within ten days after mailing of the notice of delinquent violation, a warrant for the arrest of the person may be issued. If the person appears before and makes payment to, or sends payment by mail to, the person authorized to receive a deposit of the penalty within ten court days of the mailing of the notice of delinquent violation, the penalty shall consist of the amount of the original penalty.

31022. Copy of Original Notice of Violation. Within ten days of a request, by mail or in person, the issuing agency shall provide to any person who has received a notice of delinquent violation, or his or her agent, a photostatic copy of the original notice of violation. The issuing agency may charge a fee sufficient to

recover the actual cost of providing the copy, not to exceed two dollars (\$2). Failure to comply with a request for a copy of the original notice of violation shall constitute a dismissal of the charge.

31023. Appearance; Termination of Proceedings; Referral to Court.

(a) If the person served with a notice of delinquent violation, or his or her agent, appears before the person authorized to receive a deposit of the penalty and makes payment of the penalty and any applicable assessments and fees, the proceedings under this chapter shall terminate.

(b) If the person served with a notice of delinquent violation, or his or her agent, appears before the person authorized to receive a deposit of the penalty and refuses to pay the penalty and any applicable assessments and fees, or otherwise contests the notice of delinquent violation, the processing agency shall proceed in accordance with Section 31024.

(c) If a complaint has been filed in court pursuant to the provisions of 31027, the person served with a notice of delinquent violation shall be referred to the court, and the processing agency shall take no further action on the notice of delinquent violation.

(d) If the person served with a notice of delinquent violation does not appear before the person authorized to receive a deposit of the penalty, or otherwise make payment of the penalty and any applicable assessments and fees, within the time stated on the notice of delinquent violation, the processing agency shall file a complaint and a copy of the notice of delinquent violation with a court of competent jurisdiction, and proceedings shall be had in accordance with Section 31027.

31024. Procedure upon Contest of Violation.

(a) If the person served with a notice of violation or a notice of delinquent violation appears before the person authorized to receive a deposit of the penalty and contests the violation, the processing agency shall do either of the following.

(1) If the processing agency is satisfied that the violation did not occur or that the person served with a notice of violation or a notice of delinquent violation was not responsible for the violation, the processing agency shall cancel the notice of violation or notice of delinquent violation and make an adequate record of the reasons for canceling the notice; or

(2) The processing agency shall set a trial date and provide documentation to the court as specified by local court rule. Except as the rules may provide otherwise, the processing agency shall record the person's name and address, and verify whether the person appearing has received a notice of violation conforming to Section 31014 or a notice of delinquent violation conforming to Section 31020. If the person appearing has not received the notice of delinquent violation conforming to Section 31020, the processing agency shall serve the person with a notice of delinquent violation conforming to Section 31020. The processing agency shall assign a specific date and time as approved by the court for appearance by the person contesting the violation and shall then file a complaint and a copy of the notice of delinquent violation with the court pursuant to Section 31027 within 15 days. The processing agency shall notify the person contesting the violation of the filing and the date and time for appearance. Thereafter, all proceedings including the collection of any penalties and fees shall be conducted by the court in the same manner as infraction violations of the Vehicle Code.

(b) Neither the outcome of a processing agency's action pursuant to paragraph (1) of subdivision (a) of this section, nor the court's verdict upon a referral pursuant to paragraph (2) of subdivision (a) of this section, shall be admissible in any subsequent criminal proceeding.

31025. Circumstances Requiring Termination of Proceedings on Notice of Delinquent Violation. The processing agency shall terminate proceedings on the notice of delinquent violation in either of the following cases:

(a) Upon receipt of collected penalties and applicable fees for that notice of delinquent violation. The termination under this subdivision is by satisfaction of the penalty.

(b) Upon a verdict of not guilty from a court of competent jurisdiction.

31026. Deposit of Penalties.

Any penalties which are received by a processing agency or court under this chapter shall be deposited pursuant to chapter 3 of this division.

31027. Filing of Complaint; Notice of Delinquent Violation; Jurisdiction of Court

(a) When a processing agency files a complaint with the court pursuant to Section 31023 or Section 31024, a copy of the notice of delinquent violation issued for service under Section 31020 shall be filed with the court within 15 days and, if prepared in the form approved by the Judicial Council shall be treated as a written notice to appear.

(b) After filing of a complaint or a notice of delinquent violation under this section, the court shall exercise all further jurisdiction over the violation. Any fines or forfeitures collected by the court, after filing of a complaint, shall be collected, deposited, and disbursed pursuant to the provisions of chapter 3 of this division.

CHAPTER 3. DISPOSITION OF FUNDS

31040. Disposition of Funds. Notwithstanding any other provision of law, including but not limited to any provision relating to state funding of trial courts by block grant or other means, the total amount of penalties received by a processing agency or court under this division shall be allocated as follows:

(a) An amount equal to ten percent shall be retained in the county treasury or general fund, at the direction of the Board of Supervisors, for the purpose of paying administrative costs incurred by issuing agencies under this division;

(b) An amount equal to eighty percent shall be transferred each month to the California Emergency Housing and Nutrition Fund, pursuant to the provisions of Section 8699.40 of the Government Code;

(c) An amount equal to ten percent shall be transferred each month to the California Housing Fund, pursuant to the provisions of Section 8699.30 of the Government Code.

(d) All processing fees shall be deposited with the county for reimbursement to the processing agency or court.

(e) Pursuant to a finding by the board of directors of the Corporation for California that amounts retained in county treasuries and general funds under subdivision (a) of this section are insufficient to pay administrative costs incurred by issuing agencies under this division, the board may increase the allocation of funds under subdivision (a) of this section up to but not exceeding an amount equal to twenty-five percent (25%) of the total amount of penalties received by a processing agency or court under this division, and may make such

other allocations of funds to the California Emergency Housing and Nutrition Fund and the California Housing Fund as may be required to achieve the purposes of this subdivision.

31041. State Funding of Courts. Except as provided in Section 31017 and 31040, nothing in this division is intended to affect, reduce, or otherwise alter the participation of any county in the Court Funding Trust Account or other programs providing state funding of trial courts pursuant to Chapter 13 (commencing with Section 77000) of Title 8 of the Government Code.

SECTION 9. To the extent that this Act is inconsistent with any other governmental statute or special act or parts thereof, this Act is controlling and shall be liberally construed to effect its purpose.

SECTION 10. If any provision of this Act, or the application of any provision of this Act to any person or circumstance, shall be held invalid, the remainder of this Act, to the extent that it can be given effect, shall not be affected thereby, and to this end the provisions of this Act are severable.

*Number
on ballot*

100. Insurance Rates, Regulation.

[Submitted by the initiative and rejected by electors November 8, 1988]

PROPOSED LAW

SECTION 1. Short Title

This act shall be known as the "Insurance Reform and Consumer Protection Act of 1988."

SECTION 2. Findings and Declarations

The People of the State of California find and declare as follows:

(a) Californians have the right to fair and reasonably priced insurance and to honest, nondiscriminatory treatment by insurance companies.

(b) Good drivers have been penalized by the unfair practices of insurance companies that place stereotypes ahead of the individual driver's record in determining insurance premiums and that leave good drivers unable to purchase insurance from the company of their choice.

(c) The cost of automobile insurance for good drivers has risen sharply. Present rates are at least 20 percent higher than needed for adequate rates and reasonable profit.

(d) Insurance is essential to the health, safety, and prosperity of every Californian and to the growth of the state's economy.

(e) The insurance crisis has jeopardized our standard of living, damaged small and large businesses, drained precious resources from civic activities, charitable groups, and public services, and needlessly exposed all Californians to economic risks and uncertainties.

(f) Current law has left California consumers unprotected in their dealings with powerful insurance companies. The result has been excessive rates, unfair contracts, and predatory sales practices. Too often the victims have been the most vulnerable members of our society.

(g) Insurance rates are presently made by a process that is closed to the public, lacks accountability, and leaves consumers powerless.

(h) The insurance industry is unjustifiably exempt from antitrust laws. Insurers are free to fix prices, divide markets among themselves, and engage in a wide range of anticompetitive practices that are illegal in any other business.

(i) *The widespread failure of insurance companies to make insurance available at reasonable prices demonstrates the need to reform and modernize the system of insurance regulation in California and to open insurance markets to increased competition.*

(j) *Because insurance is essential to the people of California, it is necessary and proper that state government protect its citizens from unfair insurance rates and practices.*

(k) *It is appropriate that the cost of providing this protection to California consumers be borne completely by insurance companies and not by the general public in taxes.*

(l) *Automobile insurance fraud is a major contributor to automobile insurance costs. Law enforcement agencies have inadequate resources to investigate and prosecute suspected fraudulent claims effectively.*

SECTION 3. Purposes of Act

The people enact this act to accomplish the following purposes:

(a) *To promote the principle of personal responsibility, to guarantee that automobile insurance rates primarily reflect the record of the insured, and to establish the right of good drivers to purchase automobile insurance in the open market at fair prices.*

(b) *To provide good drivers an immediate 20 percent rollback of automobile insurance rates.*

(c) *To guarantee good drivers a 20 percent discount in automobile insurance.*

(d) *To open insurance markets to increased competition and thereby to provide an abundant supply of insurance products and services at reasonable, stable prices, and to provide consumers with the information necessary to take advantage of the competitive market.*

(e) *To create an open, public process of ratemaking that will restore accountability, integrity, and confidence in the state's ability to protect its citizens.*

(f) *To provide an effective advocate dedicated to the promotion and protection of consumer interests in order to balance the historic domination of the regulatory process by the insurance industry.*

(g) *To safeguard the integrity of the regulatory process by preventing conflicts of interest and providing an independent, impartial decisionmaker.*

(h) *To guarantee consumers the right to prompt and fair compensation for legitimate insurance claims and to deter unfair insurance practices.*

(i) *To open the books of insurance companies to vigorous public scrutiny of those aspects of their operations relevant to the public interest.*

(j) *To protect seniors from unscrupulous practices in the sale of health care insurance.*

(k) *To prevent unfair discrimination in pricing and availability of insurance.*

(l) *To provide sufficient resources to law enforcement for the vigorous investigation and prosecution of fraudulent automobile insurance claims.*

SECTION 4. Fairness in Automobile Insurance

Article 6 is added to Chapter 1 of Part 3 of Division 2 of the Insurance Code to read as follows:

Article 6 Fairness in Private Passenger Automobile Insurance

11629.601 Scope. The provisions of this article shall apply to any automobile liability policy, automobile physical damage policy, and automobile collision policy, as those terms are defined in Section 660, and any combination thereof,

delivered or issued for delivery in this state insuring a single individual or individuals residing in the same household, as named insured, under which the insured vehicles therein designated are of the following types only:

(a) A motor vehicle of the private passenger or station wagon type that is not used as a public or livery conveyance for passengers nor rented to others;

(b) Any other four-wheel motor vehicle with a load capacity of 1,500 pounds or less which is not used in the occupation, profession, or business of the insured, provided, however, that this article shall not apply (i) to any policy issued under an automobile assigned risk plan, (ii) to any policy insuring more than four automobiles, or (iii) to any policy covering garage automobile sales agency, repair shop, service station, or parking place operation hazards; or

(c) A motorcycle.

11629.602 Definitions. As used in this article, the following definitions shall apply:

(1) "Automobile insurance rating plan" means the system of classification by which the rate for a given vehicle is determined.

(2) "Basic automobile insurance" means a policy providing motor vehicle liability insurance, as that term is defined in Section 16450 of the Vehicle Code, automobile physical damage insurance, and automobile collision insurance, or any combination thereof. The commissioner may, by regulation, prescribe provisions of basic automobile insurance policies to facilitate price-comparison.

(3) "Good driver" means any person who has held a valid operator's license for at least three years preceding the application for insurance and who:

(a) Has not had more than one traffic violation point count in the preceding three years and not had any accidents in which he or she was principally at fault in the preceding three years;

(b) Has not been convicted of (1) fraud or attempt to defraud involving an automobile insurance policy, (2) driving under the influence of alcohol or drugs, (3) violation of Sections 20001, 20002, 20003, 23103, 23104, 23152, or 23153 of the Vehicle Code or for offenses of a substantially similar nature committed in California or in another jurisdiction, or (4) of theft of a motor vehicle; and

(c) Whose insured vehicle substantially complies with the requirements of Division 12 of the Vehicle Code (commencing with Section 24000).

11629.603 Right of Good Drivers to Insurance. (a) Every insurer shall offer basic automobile insurance on any vehicle for which a good driver is the principal operator in any county in which the insurer accepts applications for automobile insurance.

(b) Every insurer shall file with the department, in such form and using such media as the commissioner may by regulation prescribe, its rates for basic automobile insurance. Such rates may vary according to classifications contained in an approved automobile insurance rating plan, but the insurer must provide a rate for every good driver in the county.

11629.604 Rollback of rates. (a) Effective January 2, 1989, every insurer shall adjust its rates for good drivers for bodily injury, property damage liability, medical payment, and collision coverage such that those rates are at least 20 percent less than the amount charged for the comparable risks as of January 1, 1988.

(b) Any insurer may petition the Insurance Commissioner for partial or complete exemption from the provisions of subdivision (a) of this section on a showing, by clear and convincing evidence, that its overall rates for private passenger automobile insurance would be inadequate pursuant to the provisions of Section 1852 of the Insurance Code. No such petition shall be granted except

after a public hearing complying with the provisions of Sections 1852.4, 1852.5, 1852.6, 1852.9, and 1852 of the Insurance Code.

11629.605 *Automobile insurance rating plans.* (a) Every insurer shall file with the department its automobile insurance rating plan and every amendment thereto. The commissioner shall disapprove any automobile insurance rating plan inconsistent with this article.

(b) The commissioner shall not permit the use of any automobile insurance rating plan that discriminates on the basis of race, language, color, religion, ancestry, or national origin.

(c) The commissioner shall not permit the use of any automobile insurance rating plan that discriminates on the basis of geographic territories not justified, by clear-and-convincing evidence, to be valid a predictor of losses.

(d) Every automobile insurance rating plan shall, to the maximum extent practicable, provide that rates for any vehicle for which the principal operator has held an operator's license for at least three years, shall depend on driving record.

(e) Every automobile insurance rating plan shall provide at least a 20 percent discount for every good driver, when compared to a driver having similar characteristics but not qualifying for the good driver rate.

11629.606 *Right to hearing on claims of discrimination.* (a) Every person who claims to have been the victim of unfair discrimination in automobile insurance rates may petition the commissioner for a hearing on that claim. If the petition establishes a prima facie case of unfair discrimination, the commissioner shall conduct a hearing, to which Sections 1852.5, 1852.6, and 1852.9 shall apply. The insurer has the burden of proof in the hearing.

(b) The Commissioner shall, as a part of the filing requirements adopted pursuant to Section 1852.1, require the filing of a schedule for private passenger automobile insurance, showing:

(1) Current and historic pure-premium losses and loss adjustment expenses, on both a paid and an incurred basis, by territory and zip code; and

(2) The ratio of those losses and expenses to statewide losses and expenses of the insurer, and the territorial rating factor for each territory.

11629.607 *Consumer assistance in shopping for automobile insurance.* (a) The commissioner shall contract to establish a computerized system to store and retrieve price-comparison data on basic automobile insurance. The system shall be available no later than July 1, 1989.

(b) Upon determination of feasibility by the commissioner, which may be before or after July 1, 1989, the commissioner shall contract for the provision of computer terminals in publicly available locations throughout the state, which will provide price-comparison data to consumers on a walk-in basis for a reasonable fee.

(c) Every vehicle registration renewal notice shall contain a notice of the availability of price-comparison data and a form which the recipient may return to the Department of Insurance requesting comparative price quotations for basic automobile insurance on his or her vehicle. The form shall require sufficient information from the vehicle owner to establish the appropriate rate for the vehicle from the information filed by each insurer pursuant to subdivision (b) of Section 11629.603.

(d) Within fifteen days of receipt of a request for comparative price quotations, the Department of Insurance shall mail to the requestor a listing of relevant price-comparison data, containing information on no less than the six lowest-cost insurers (or fewer where less than six offer coverage for the requestor) including

but not limited to:

- (1) The name of each insurer;
- (2) The rate charged for basic automobile insurance by that insurer;
- (3) The address and telephone number where the requestor may apply for coverage.

The commissioner may include information on service quality and consumer satisfaction.

(e) The application for price comparison data shall be kept confidential. Upon completion of the request, the application shall be destroyed.

(f) The commissioner shall establish a fee schedule for (1) requests for price comparison data, which shall not exceed three dollars per vehicle, and (2) filings made pursuant to subdivision (b) of Section 11629.603.

SECTION 5. Reform of the Assigned-Risk Plan

Section 11624.2 is added to Article 4 of Chapter 1 of Part 3 of Division 2 of the Insurance Code, to read as follows:

11624.2 Any person may submit an application for coverage by the plan directly to the Department of Insurance or the Department of Motor Vehicles, which shall immediately forward the application to the organization operating the plan. The commissioner shall require that rates charged to such applicants shall not include any charge for commission in recognition of the fact that no agent is involved in the transaction.

SECTION 6. Investigation and Prosecution of Automobile-Insurance Fraud

Section 12998 is added to Article 5 of Chapter 2 of Division 3 of the Insurance Code to read:

12998. Each insurer shall pay an annual fee, to be determined by the commissioner but not to exceed 10 cents for each automobile liability policy, automobile physical damage policy, automobile collision policy, as those terms are defined in Section 660, and any combination thereof, delivered or issued for delivery in this state, for the purpose of funding increased investigation and prosecution of fraudulent automobile insurance claims. All moneys received by the commissioner pursuant to this section shall be transmitted to the State Treasury to the credit of the Automobile Insurance Fraud Investigation and Prosecution Account of the Insurance Commissioner's Regulatory Trust Fund, which account is hereby created. All moneys in such account are hereby continuously appropriated to the department and are to be used exclusively by the Bureau of Fraudulent Claims and authorized governmental agencies for the investigation and prosecution of fraudulent automobile insurance claims.

The commissioner shall by regulation adopt standards for the fair and equitable distribution of grants to authorized governmental agencies, as defined in Section 13003, to further the purposes of this section.

SECTION 7. Public Hearings

Chapter 3 of Division 3 of the Insurance Code is added to read as follows:

CHAPTER 3 PUBLIC HEARINGS

13600. Notwithstanding any other provision of law, whenever the Commissioner is required to hold a hearing, the hearing shall be conducted in accordance with the following:

(a) Reasonable notice shall be given of the purpose and nature of the hearing and of the opportunity for public participation.

(b) Any person desiring to do so shall be provided a reasonable opportunity to present his or her views.

(c) *An administrative record shall be compiled, containing all evidence upon which the decision is based, all admissible evidence offered by any party, all documents required by law to be filed with regard to the subject of the hearing, and all comments made by any person. Except as provided by Section 1852.9, the record shall be open to examination by any person.*

13601. *Any hearing for the purpose of reviewing or adopting a rate, rating plan, rating system, underwriting rules, policy forms, or classification system shall be conducted as follows:*

(a) *Any insurer whose rates, rating plan, rating system, or underwriting rules are to be reviewed in the proceeding and the Insurance Consumer Advocate shall be deemed a party to the proceeding. Any person may petition to intervene in the proceeding. The petition shall be granted except where the commissioner determines that the position of the petitioner is already fully represented by another party and that intervention by the petitioner would be unduly burdensome. Upon the granting of the petition the petitioner shall be deemed a party to the proceeding.*

(b) *Any person wishing to comment on matters relevant to the hearing and not desiring to invoke the provisions of subdivision (c) of this section shall be permitted to make such comments, orally or in writing, upon such terms as the commissioner may prescribe for the orderly conduct of business, and need not file a petition to intervene or become a party.*

(c) *Any party shall have the right to engage in discovery, to call, examine, and cross-examine witnesses, to introduce exhibits, and to compel testimony and production of records by subpoena in accordance with the provisions of Section 11510, subdivisions (b) and (c), of the Government Code and Sections 1985, 1985.1, and 1985.2 of the Code of Civil Procedure, subject to the reasonable control of the commissioner. Oral evidence shall be only on oath or affirmation.*

SECTION 8. Fair Insurance Rates

Section 1850 of the Insurance Code is repealed.

~~1850. The purpose of this chapter is to promote the public welfare by regulating insurance rates as herein provided to the end that they shall not be excessive, inadequate or unfairly discriminatory; to authorize the existence and operation of qualified rating organizations and advisory organizations and require that specified rating services of such rating organizations be generally available to all admitted insurers; and to authorize cooperation between insurers in rate making and other related matters.~~

~~It is the express intent of this chapter to permit and encourage competition between insurers on a sound financial basis and nothing in this chapter is intended to give the Commissioner power to fix and determine a rate level by classification or otherwise.~~

Section 1851 of the Insurance Code is amended to read as follows:

1851. *Scope.* The provisions of this chapter shall apply to all insurance on risks or on operations in this state *State*, except:

- (a) Reinsurance, other than joint reinsurance to the extent stated in Article 5.
- (b) Life insurance.
- (c) Insurance of vessels or craft, their cargoes, marine builders' risks, marine protection and indemnity, or other risks commonly insured under marine, as distinguished from inland marine, insurance policies. Inland marine insurance shall be deemed to include insurance now or hereafter defined by statute, or by interpretation thereof, or if not so defined or interpreted, by ruling of the ~~commissioner~~ *Commissioner* or as established by general custom of the business, as inland marine insurance.

(d) Title insurance.

(e) ~~Disability insurance.~~

~~(f) Workers' compensation insurance and insurance of any liability of employers for injuries to, or death of, employees arising out of, and in the course of, employment when this insurance is incidental to, and written in connection with, the workers' compensation insurance issued to the same employer and covering covers the same employer interests.~~

~~(g) (f) Mortgage insurance.~~

~~(h) (g) Insurance transacted by county mutual fire insurers or county mutual fire reinsurers.~~

~~(h) Cooperative corporations whose members consist solely of physicians and surgeons, except as set forth in Article 1 of Chapter 3 (commencing with Section 1280.5) of this part.~~

Article 2 of Chapter 9 of Part 2 of Division 1 of the Insurance Code is repealed and added to read as follows:

Article 2. Making and Use of Rates

1852. The following standards shall apply to the making and use of rates pertaining to all classes of insurance to which the provisions of this chapter are applicable:

~~(a) Rates shall not be excessive or inadequate, as herein defined; nor shall they be unfairly discriminatory.~~

~~No rate shall be held to be excessive unless (1) such rate is unreasonably high for the insurance provided and (2) a reasonable degree of competition does not exist in the area with respect to the classification to which such rate is applicable.~~

~~No rate shall be held to be inadequate unless (1) such rate is unreasonably low for the insurance provided and (2) the continued use of such rate endangers the solvency of the insurer using the same; or unless (3) such rate is unreasonably low for the insurance provided and the use of such rate by the insurer using same has, or if continued will have, the effect of destroying competition or creating a monopoly.~~

~~(b) Consideration shall be given, to the extent applicable, to past and prospective loss experience within and outside this State, to conflagration and catastrophe hazards; to a reasonable margin for underwriting profit and contingencies; to past and prospective expenses both country-wide and those specially applicable to this State; and to all other factors, including judgment factors, deemed relevant within and outside this State; and in the case of fire insurance rates; consideration may be given to the experience of the fire insurance business during the most recent five-year period for which such experience is available.~~

~~Consideration may also be given in the making and use of rates to dividends, savings or unabsorbed premium deposits allowed or returned by insurers to their policyholders, members or subscribers.~~

~~(c) The systems of expense provisions included in the rates for use by any insurer or group of insurers may differ from those of other insurers or groups of insurers to reflect the operating methods of any such insurer or group with respect to any kind of insurance, or with respect to any subdivision or combination thereof.~~

~~(d) Risks may be grouped by classifications for the establishment of rates and minimum premiums. Classification rates may be modified to produce rates for individual risks in accordance with rating plans which establish standards for measuring variations in hazards or expense provisions; or both. Such standards may measure any difference among risks that have a probable effect upon losses~~

or expenses. Classifications or modifications of classifications of risks may be established based upon size, expense, management, individual experience, location or dispersion of hazard, or any other reasonable considerations. Such classifications and modifications shall apply to all risks under the same or substantially the same circumstances or conditions.

1853. Subject to and in compliance with the provisions of this chapter authorizing insurers to be members or subscribers of rating or advisory organizations or to engage in joint underwriting or joint reinsurance, two or more insurers may act in concert with each other and with others with respect to any matters pertaining to the making of rates or rating systems, the preparation or making of insurance policy or bond forms, underwriting rules, surveys, inspections and investigations, the furnishing of loss or expense statistics or other information and data, or carrying on of research.

1853.5. With respect to any matters pertaining to the making of rates or rating systems, the preparation or making of insurance policy or bond forms, underwriting rules, surveys, inspections and investigations, the furnishing of loss or expense statistics or other information and data, or carrying on of research, two or more admitted insurers having a common ownership or operating in this State under common management or control, are hereby authorized to act in concert between or among themselves the same as if they constituted a single insurer, and to the extent that such matters relate to co-surety bonds, two or more admitted insurers executing such bonds are hereby authorized to act in concert between or among themselves the same as if they constituted a single insurer.

1853.6. Members and subscribers of rating or advisory organizations may use the rates, rating systems, underwriting rules or policy or bond forms of such organizations, either consistently or intermittently, but, except as provided in Sections 1853.5, 1853.8, and Article 5, shall not agree with each other or rating organizations or others to adhere thereto. The fact that two or more admitted insurers, whether or not members or subscribers of a rating or advisory organization, use, either consistently or intermittently, the rates or rating systems made or adopted by a rating organization, or the underwriting rules or policy or bond forms prepared by a rating or advisory organization, shall not be sufficient in itself to support a finding that an agreement to so adhere exists; and may be used only for the purpose of supplementing or explaining direct evidence of the existence of any such agreement.

1853.7. Licensed rating organizations and admitted insurers are authorized to exchange information and experience data with rating organizations and insurers in this and other states and may consult with them with respect to rate-making and the application of rating systems.

1853.8. Agreements may be made among admitted insurers with respect to the equitable apportionment among them of casualty insurance which may be afforded applicants who are in good faith entitled to but who are unable to procure such insurance through ordinary methods; and with respect to the use of reasonable rate modifications for such insurance; such agreements to be subject to the approval of the commissioner.

All such agreements shall be submitted in writing to the commissioner for his consideration and approval, together with such information as he may reasonably require. The commissioner shall approve only such agreements as are found by him to contemplate (a) the use of rates which meet the standards prescribed by this chapter and (b) activities and practices that are not unfair, unreasonable or otherwise inconsistent with the provisions of this chapter.

At any time after such agreements are in effect the commissioner may review the practices and activities of the adherents to such agreements and if after a hearing upon not less than 10 days notice to such adherents he finds that any such practice or activity is unfair or unreasonable, or is otherwise inconsistent with the provisions of this chapter, he may issue a written order to the parties to any such agreement specifying in what respects such act or practice is unfair or unreasonable or otherwise inconsistent with the provisions of this chapter and requiring the discontinuance of such activity or practice. For good cause, and after hearing upon not less than 10 days notice to the adherents thereto, the commissioner may revoke approval of any such agreement.

1853.0. Upon compliance with the provisions of this chapter applicable thereto any rating organization, advisory organization, and any group, association or other organization of admitted insurers which engages in joint underwriting or joint reinsurance through such organization or by standing agreement among the members thereof, may conduct operations in this State. As respects insurance risks or operations in this State, no insurer shall be a member or subscriber of any such organization, group or association that has not complied with the provisions of this chapter applicable to it.

Article 2 Making and Use of Rates

1852. *Standards in making and using rates.* (a) No insurer shall charge a rate that is excessive, inadequate, or unfairly discriminatory.

(b) A rate is neither excessive nor inadequate if it gives the reasonably efficient insurer the opportunity to earn a net after-tax return on equity comparable to other businesses presenting a similar degree of risk.

1852.1. *Filings.* (a) On or before January 2, 1989, every insurer or rating organization shall file with the commissioner the manual or plan of rates, classifications, rating schedule, policy fee, rating rule, and other similar information needed to determine the rate level then in effect for a line, subline, or class of insurance.

(b) Thereafter, filings shall be made whenever rates are changed, as follows:

(1) Filings that change rates but are certified by the insurer not to exceed the applicable prior approval band, as defined in Section 1852.2, shall be filed not later than the effective date of the change and may be used immediately, subject to the authority of the commissioner to order otherwise.

(2) Filings that change rates beyond the applicable prior approval band shall be filed no later than ninety days before the proposed effective date and shall not be used without the prior approval of the commissioner.

(c) Every filing shall be accompanied by sufficient supporting data to establish that the rates are not excessive, inadequate, or unfairly discriminatory. The supporting data shall include, but not be limited to, the following:

(1) Supporting actuarial data in sufficient detail to justify any rate level changes and statistically demonstrate the differences or corrections, or both, relevant to rating plan definitions and rate differences.

(2) An exhibit comparing the proposed rates to the previous rates stated in percentages. This exhibit shall show the date the preceding rates were submitted to the commissioner.

(3) A statement of all underwriting rules imposed by the insurer.

(d) *The commissioner shall adopt regulations specifying how multiple classes of commercial insurance shall be aggregated into rate filings. Aggregation shall provide sufficient information for the commissioner to make the findings required in this chapter.*

(e) *For purposes of this article, a filing shall be deemed to have been made when received by the commissioner. If the commissioner determines that a filing is inadequately documented, the filing shall not be deemed to have been made until the commissioner receives such supplemental materials as he or she may order.*

1852.2 *Prior approval bands. (a) The applicable bands in any 12-month period shall be:*

(1) *Seven and one-half percent for personal lines.*

(2) *Fifteen percent for any commercial line, sub-line, or class.*

(b) *For purposes of calculating rate changes, no adjustment to the prior approval bands may be made for any claimed subsidy of any state-mandated program such as the assigned-risk plan. However, in determining whether a filing meets the regulatory criteria, the commissioner may consider such claims of subsidy.*

(c) *For purposes of determining whether a rate change is within the applicable prior approval band, the effect of the rate change on the insurer's statewide or territorial written premiums shall determine the percentage rate change.*

1852.3 *Decision whether to hold a hearing on the filing.*

(a) *The commissioner shall publish a weekly list of all filings, which shall identify the filing insurer, the lines, sublines, or classes affected, the percentage change in rates, whether the insurer has certified that the filing is within the applicable prior approval band, and other pertinent information. The list shall be provided by mail to any person who has, in the preceding twelve months, requested in writing receipt of the publication and paid any reasonable fee established by the commissioner.*

(b) *Upon receipt of a filing, the commissioner shall create a public record containing all information contained in the filing.*

(c) *Within twenty-five days from the date of publication of the weekly list required in subdivision (a) of this section containing notice of the filing, any person may petition the commissioner to hold a hearing on the filing. The petitions received shall become part of the public record of the filing. Failure to file a petition shall not preclude any person from participating in any hearing if one is ordered. The petition shall be granted if it meets any of the following:*

(1) *If the filing is outside the applicable prior approval band and the petition raises non-frivolous claims that the rates would be excessive, inadequate, or unfairly discriminatory.*

(2) *If the filing is within the applicable prior approval band and the petition contains competent evidence that the rates would be excessive, inadequate, or unfairly discriminatory.*

(d) *The commissioner shall, notwithstanding the absence of a petition, hold a hearing on any filing outside the applicable prior approval band to determine whether the rates set forth in the filing are excessive, inadequate, or unfairly discriminatory, if any of the following criteria are met:*

(1) *It appears that insureds covered by the filing will be among the ten percent of the market paying the highest premiums.*

(2) *The filing covers two percent or more of a market. For purposes of this calculation, filings of affiliated companies are deemed to have the market share of the entire group of affiliated companies.*

(e) The commissioner may hold a hearing at any other time, before or after the filing become effective, when it appears to him or her that the rates specified in the filing are excessive, inadequate, or unfairly discriminatory.

(f) Within ninety days of a filing outside the applicable prior approval band, the commissioner shall issue a decision either approving or disapproving a filing or ordering a hearing on the filing. A decision to approve or disapprove a filing outside the applicable prior approval band shall be in writing and shall contain the findings required by section 1852.4. A decision to hold a hearing, and a decision denying a petition for a hearing, shall be in writing and shall state the reasons therefor.

1852.4 Decision. (a) The commissioner shall issue a written decision, based on the evidence of record, approving or disapproving, in whole or in part, any filing outside the applicable prior approval band and any filing on which a hearing is held. No portion of a filing shall be approved unless its rates are neither excessive, inadequate, nor unfairly discriminatory.

(b) In determining whether rates are excessive, inadequate, or unfairly discriminatory, the commissioner shall make findings on each of the following:

(1) The estimated premium volume, acquisition costs, administrative expenses, losses, loss-adjustment expenses, investment returns (including long-term capital gains), and taxes.

(2) Historical losses per exposure and the basis for any deviation of the estimated future losses from past experience.

(3) The extent of competition in the line, subline, or class of insurance in each affected territory, the ability of consumers to shop competing insurers effectively, and the extent to which competition in the line, subline, or class of insurance can be expected to maintain fair rates.

(4) The relative efficiency of the insurer when compared to other insurers, including the insurer's use of cost-control programs.

(5) The quality of service, based on all evidence before the commissioner including but not limited to complaints to the department.

(6) The extent to which the rating system provides adequate incentives for insureds to minimize risks.

(7) The extent to which the insurer assists its insureds in risk reduction.

(8) The fairness of any underwriting policy of the insurer placed in issue by any party.

(9) The need for, and expected availability of, reinsurance.

(c) For filings outside the applicable prior approval bands, the burden of establishing that rates are not excessive, inadequate, or unfairly discriminatory shall rest with the filing insurer. For filings within the applicable prior approval bands, the burden of establishing that rates are excessive, inadequate, or unfairly discriminatory shall rest with the party challenging the rates.

(d) The commissioner's decision may order such adjustment in rates as may be necessary to prevent the rates from being excessive, inadequate, or unfairly discriminatory and may require refund of any premiums collected pursuant to an excessive or unfairly discriminatory rate.

(e) Except as extended for good cause, the decision shall issue within 90 days of the order to hold a hearing.

1852.5 Judicial review. (a) Notwithstanding the provisions of section 1858.6, judicial review of a commissioner's decision pursuant to this article, or of a decision not to hold a hearing pursuant to this article, may be had by petition for a writ of mandate pursuant to Section 1094.5 of the Code of Civil Procedure.

(b) A decision of the commissioner to hold a hearing is not a final administrative decision and shall not be subject to judicial review.

1852.6 Intervenor funding. Any natural person, or any nonprofit organization other than a nonprofit organization whose principal purpose is to serve the interests of for-profit businesses, may, if they have participated in any proceeding conducted pursuant to this article, apply for reimbursement of reasonable advocate's fees, expert witness fees, and other reasonable expenses of such participation. Applications shall be made to the commissioner for reimbursement of the expenses of administrative proceedings and to the court for reimbursement of the expenses of judicial review. Awards shall be made after conclusion of the proceeding and shall be based on the reasonable cost of the services and the party's contribution to the decision. Awards shall be made only where the financial burden of private enforcement makes the award appropriate. If the person has made a substantial contribution to the proceeding, reimbursement shall be ordered. Reimbursement shall be paid by the insurer. If the commissioner finds that any person has abused the processes established by this act for personal gain or advantage, the commissioner may bar such person from appearing in any proceeding conducted pursuant to this article for a term not to exceed three years.

1852.7 Exemptions. (a) This article shall not apply to any policy for which the annual premium exceeds \$500,000.

(b) The commissioner may adopt regulations exempting specified classes from the requirements of this article. No exemption shall be granted unless the commissioner finds:

(1) The class has exhibited relative price stability in recent years.

(2) There is sufficient competition in the market, and consumers have demonstrated widespread ability to shop freely among competitors, to support a finding that competition would prevent the maintenance of excessive rates.

(3) The market does not have a history of excessive or inadequate prices.

(4) The exemption will not contribute to problems of unavailability, unaffordability, or reduced coverage.

(c) No exemption shall be granted for private-passenger automobile insurance.

(d) Exemptions shall expire no more than three years after their adoption. They may be renewed by adoption of an appropriate regulation.

1852.8 Rating plans. (a) An insurer shall adhere to a filing unless changed by a subsequent filing.

(b) The commissioner shall by regulation adopt standards for rating plans (including experience rating plans, schedule rating plans, individual risk premium modification plans, and expense reduction plans) designed to modify rates in the development of premiums for individual risks. Such standards shall permit recognition of expected differences in loss or experience characteristics, and shall be designed so such plans are reasonable and equitable in their application, are not unfairly discriminatory, violative of public policy, or otherwise contrary to the public interest. Such standards shall not prevent the development of new or innovative rating methods which otherwise comply with this article. Such rating plans shall be filed in accordance with the regulations adopted by the commissioner. The regulation shall establish maximum debits and credits that may result from application of a rating plan, shall encourage loss control, safety programs, and other methods of risk management, and shall require insurers to maintain documentation of the basis for the debits or credits applied under any plan. Once it has been filed and approved, use of the rating plan shall be mandatory and such plan shall be applied uniformly for eligible risks in a manner that is not unfairly discriminatory.

1852.9 Trade secrets. *Any person seeking confidential treatment of information submitted pursuant to this article shall so designate that information and shall state the grounds upon which confidentiality is sought. Information shall not be treated as confidential unless the claimant proves that its disclosure is likely to cause significant competitive injury and that such harm outweighs the value of disclosure to the public. The person seeking confidentiality shall have the burden of making such a showing. A party, other than another insurer, shall have access to the confidential information under appropriate protective order. The commissioner shall adopt regulations providing guidelines for identifying confidential information.*

1852.91 Transitional provisions. *For purposes of computing the applicable prior approval band, no rate in effect prior to January 2, 1989, shall be considered. The commissioner, upon the motion of any person or on his or her own motion, may review any rate change made between January 1, 1988, and January 2, 1989, to determine whether the rate meets the requirements of Section 1852. A showing that an insurer has increased rates between January 1, 1988, and January 2, 1989, more than the increase in the California consumer price index shall be prima facie evidence that the rate charged on January 2, 1989, is excessive.*

1853. Rating and advisory filings. (a) *A licensed rating or advisory organization may file historic loss cost data, which any member insurer may incorporate in the supporting documentation of its rate filing. The rating or advisory organization may not specify a fully developed advisory rate, may not provide trending or specify prospective loss costs, and may not provide historic or prospective expenses, profit, or contingencies.*

(b) *The commissioner may, after a public hearing, exempt from the requirements of this article for a period not beyond December 31, 1990, any insurer having nationwide gross premiums of less than five million dollars (\$5,000,000.00), if the commissioner finds that there does not exist an available source of actuarial services sufficient to enable such insurers to meet the requirements of this article. This exemption may be extended to December 31, 1991, upon a finding by the commissioner, after a public hearing, that such capacity remains unavailable.*

SECTION 9. Consumer Advocacy

Article 9 is added to Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code to read as follows:

Article 9

Office of the Insurance Consumer Advocate

12620. *There is hereby created in the Department of Justice the Office of the Insurance Consumer Advocate.*

12621. *The Attorney General shall appoint the Insurance Consumer Advocate, who shall report directly to the Attorney General, who shall serve at the pleasure of the Attorney General.*

12622. *The Office of Insurance Consumer Advocate shall employ personnel sufficient to perform its duties.*

12623. *The Insurance Consumer Advocate may intervene as a matter of right in any judicial or administrative proceeding in which matters relating to insurance are involved.*

12624. *The Insurance Commissioner shall fully cooperate with the Insurance Consumer Advocate in any proceeding in which he or she appears before the*

commissioner and any proceeding to which they are both parties. The cooperation shall include providing complete access to all records in the possession of the Department of Insurance.

12625. The provisions of this article are not exclusive, and the remedies provided in this article shall be in addition to any other remedies provided in any other law or available under the common law.

12626. Every rate filing and every petition filed pursuant to Article 2 (commencing with Section 1852) of Chapter 9 of Part 2 of Division 1 of the Insurance Code shall be simultaneously served on the Insurance Consumer Advocate.

12627. Sections 11042 and 11043 of the Government Code shall not apply to the Department of Insurance with respect to any proceeding to which the Insurance Consumer Advocate is a party.

SECTION 10. Public Disclosure of Insurer Operations

Section 926 is added to Article 10 of Chapter 1 of Part 2 of Division 1 of the Insurance Code, to read as follows:

926. At least annually, every insurer shall file with the department the following information:

(a) Every form of policy, endorsement, and rider.

(b) The following information for each line and subline of insurance, and for each class designated by the commissioner, for each of the prior five years:

(1) Premiums written and earned.

(2) Losses incurred, paid, and unpaid, including losses incurred but not reported separately stated.

(3) Reserves, and indication whether the reserves are discounted to present value.

(4) Expenses incurred and paid.

(5) Investment income, including realized and unrealized capital gains.

(6) The number and type of policies issued, renewed, cancelled, and not renewed, and the number of new policies.

(7) California and nationwide rate level information providing the following:

(A) The number of exposures.

(B) The number of claims.

(C) Commissions, general expenses, taxes, licenses and fees, and acquisition expenses.

(8) Comparisons of the following:

(A) Loss ratios for agents cancelled and for all agents for the most recent year.

(B) Loss ratios for insureds cancelled or not renewed and for all insureds for the most recent year of the experience period used for ratemaking.

(C) The average deductible for the most recent year of the experience period used for ratemaking with the average deductible for the most recent sample year available.

(9) Schedule of commissions.

(10) Any changes implemented to reduced or contain expenses.

(11) Expenditures for

(A) Trade association memberships.

(B) Lobbying.

(C) Political contributions.

Subdivision (d) (1) of Section 6254 of the Government Code is amended to read:

(1) Applications filed with any state agency responsible for the regulation or supervision of the issuance of securities or of financial institutions, including, but

not limited to, banks, savings and loan associations, industrial loan companies, and credit unions; and insurance companies.

SECTION 11. Fair Competition

Sections 750, 750.1, 751, 752, 754, 755, 755.7, 761, and 1643 of the Insurance Code are repealed.

750. An insurer, insurance agent, broker, or solicitor, personally or by any other party, shall not offer or pay, directly or indirectly, as an inducement to insurance on any subject/matter in this State, any rebate of the whole or part of the premium payable on an insurance contract, or of the agent's or broker's commission thereon, and such rebate is an unlawful rebate.

750.1. The Legislature hereby finds and declares that the continued regulation of the business practices of insurers and their producers is in the interest of the citizens of the state and that the control and limitations of unlawful rebates, profits, and commissions is an essential component of that regulation which is necessary to effectuate an adequate and complete system and regulation of insurer and producer business practices.

The Legislature finds that the statutes controlling unlawful rebates, profits, and commissions continue to provide critical protection to insureds in this state from the numerous consequences that would occur in the absence of such regulation, including company insolvencies, unfair discrimination between insureds with identical risks creating subsidies from small purchasers of insurance in favor of large purchasers of insurance, decreased quality of services to insurance consumers, increased concentration of insurance distribution and sales mechanisms, and misrepresentation and unethical sales practices such as improper replacement or twisting to the detriment of the public.

It is the intent of the Legislature in enacting this section to clearly set forth the legislative intent supporting the enactment, continuing vitality, and importance of the unlawful rebates, profits, and commissions sections of this code.

751. An insurer, or an insurance agent, broker, or solicitor, personally or otherwise, shall not offer or pay, directly or indirectly, as an inducement to enter into an insurance contract, any valuable consideration which is not clearly specified, promised or provided for in the policy, or application for the insurance, and any such consideration not appearing in the policy is an unlawful rebate.

752. Any person named as the insured in any policy or named as the principal, or obligee, in any surety policy or the agent or representative of any such person who, directly or indirectly, knowingly accepts or receives any unlawful rebate is guilty of a misdemeanor.

754. Payments of commissions or fees by insurers or their agents to insurance brokers, when otherwise lawful under this code, are expressly authorized.

755. The paying or allowing of any commission or other valuable consideration on insurance business in this State to other than an admitted insurer or a licensed insurance agent, broker or solicitor is an unlawful rebate.

755.7. Any person, including but not limited to any person licensed, certified under this code or exempted under this code from regulation, who for consideration advises, or agrees to advise, any person concerning insurance, insurance policies, insurance needs or insurance programs of any sort and who agrees to, or does, allow credit against such consideration for such service for any portion of any insurance commission which may accrue, directly or indirectly, to such person who so advises or agrees to advise, is guilty of making an unlawful rebate and guilty of a misdemeanor.

761. Any insurer, insurance agent, broker, solicitor, or life agent and any officer or employee of an insurer, insurance agent, broker, or life agent that

makes or receives an unlawful rebate is guilty of a misdemeanor.

1643. No bank, or bank holding company, subsidiary, or affiliate thereof, or any officer or employee of a bank, bank holding company, subsidiary, or affiliate, may be licensed as an insurance agent or broker or act as an agent or broker for insurance, in this state, or control a licensed insurance agent or broker, except that a bank or a bank holding company subsidiary, or affiliate of a bank, may be issued a license to act as a life and disability agent limited to the transaction of credit life and disability insurance, or an agent limited to the transaction of insurance which is limited solely to assuring repayment of the outstanding balance due on a specific extension of credit by a bank or bank holding company or its subsidiary in the event of the involuntary unemployment of the debtor, or both. A commercial bank may be licensed to sell insurance or act as an insurance broker as provided in Section 1208 of the Financial Code. This section shall not apply to any bank or bank holding company which, under the authorization of the Federal Reserve Board, had prior to January 1, 1976, a subsidiary or affiliate licensed to sell insurance (except that subsequent authorization to expand such activities shall be subject to this section), or to any bank holding company owning a state-chartered bank which had, prior to January 1, 1976, a subsidiary or affiliate licensed to sell insurance. This section shall not apply to any person authorized or licensed to make loans pursuant to Division 7 (commencing with Section 18000), Division 9 (commencing with Section 22000), Division 10 (commencing with Section 24000), or Division 11 (commencing with Section 26000) of the Financial Code.

For the purposes of this section, the following definitions shall apply:

(a) "Bank" means any institution in this state defined in Section 102 of the Financial Code except that such term does not include a title insurance company authorized to transact a trust business under the provisions of Article 4 (commencing with Section 12200) of Chapter 1 of Part 6 of Division 2 or a trust company controlled by or under common control with a title insurance company.

(b) "Bank holding company" means the same as the definition of that term set forth in Section 2 of the federal Bank Holding Company Act of 1956, as amended, but limited to holding companies which control a bank authorized to accept deposits in this state.

(c) "Subsidiary" means any corporation, association, or partnership, owned in whole or part by a bank or bank holding company.

(d) "Affiliate" means any corporation, association, or partnership connected through the ownership of a 10 percent or greater interest by a common parent.

(e) "Credit life, health, and accident insurance" means insurance on the life and health of a borrower from a bank issued to secure the repayment of the amount borrowed.

(f) "Control" means the possession, by any means, of the power to direct or cause the direction of the management or activities of a licensed insurance agent or broker.

Section 16704 of the Business and Professions Code is added to read as follows:

16704. Notwithstanding any other provision of law, this chapter applies to the business of insurance. Nothing in this act shall prohibit insurers or licensed rating or advisory organizations from engaging in joint activity to pool historic loss data. Nothing in this act shall prohibit insurers from engaging in any joint activity permissible under Chapter 9 (commencing with Section 10080) of Part 2 of Division 2 of the Insurance Code, Article 4 (commencing with Section 11620) of Chapter 1 of Part 3 of Division 2 of the Insurance Code, or any other joint underwriting association or organization established by law.

Section 780 is added to Chapter 6 of Division 1 of the Financial Code, to read as follows:

780. No bank licensed as an insurance agent or broker, or which owns or controls an insurance agency or broker, nor any director, officer, agent, employee or affiliate of any such bank, shall require, as a condition precedent to financing the purchase of real or personal property or to lending money upon the security of real or personal property, or as a condition prerequisite for the renewal of any such loan or for the performance of any other act in connection therewith, that the person for whom the purchase is to be financed or to whom the money is to be loaned or for whom the extension, renewal or other act is to be granted or performed negotiate any insurance or renewal thereof through a particular insurance agent or broker. The provisions of Section 771 of the Insurance Code shall also be applicable to this section.

Section 781 is added to Chapter 6 of Division 1 of the Financial Code, to read:

781. (a) The total investment by a bank, which has obtained a certificate of authority to transact any class of insurance business in this state pursuant to Part 2 (commencing with Section 680) of the Insurance Code, into its insurance underwriting activities may not exceed 10 percent of the capital stock and surplus of the bank.

(b) A bank may make a loan or extend credit to, or purchase or invest in securities of, or issue a guarantee, acceptance or letter of credit, including an endorsement or standby letter of credit, on behalf of, an insurer which is an affiliate of the bank only if (1) the aggregate amount of all such transactions between the bank and that insurer will not exceed 10 percent of the capital stock and surplus of the bank, and (2) the transaction is on terms and conditions that are consistent with safe and sound banking practices. Each such loan, extension of credit, guarantee, acceptance or letter of credit must be secured at the time of the transaction by collateral having a market value equal to at least 100 percent of the amount of the loan, extension of credit, guarantee, acceptance or letter of credit.

(c) As used in this section, "affiliate" has the meaning set forth in Section 150 of the Corporations Code, and "insurer" has the meaning set forth in Section 23 of the Insurance Code

Section 772 of the Financial Code is repealed and reenacted, to read as follows:

~~*772. (a) Notwithstanding the provisions of Section 1335, and subject to such regulations and rules as the superintendent may prescribe, a bank may invest in the capital stock, obligations, or other securities of one or more corporations.*~~

~~*(b) No such corporation may act as an insurance company, insurance agent, or insurance broker. This prohibition shall not be deemed to exclude other possible restrictions with respect to the activities of such corporations.*~~

772. Notwithstanding the provisions of Section 1335, and subject to such regulations and rules as the superintendent may prescribe, a bank may invest in the capital stock, obligations, or other securities of one or more corporations.

SECTION 12. Truth and Fairness in Policy Forms

Section 381.5 is added to the Insurance Code to read as follows:

381.5 The commissioner may examine policy forms used by insurers and may prohibit the use of any form he or she finds to be deceptive, misleading, or contrary to the public interest.

SECTION 13. Fair Insurance Claims and Underwriting Practices

Section 790.031 is added to Article 6.5 of Chapter 1 of Part 2 of Division 1 of the Insurance Code to read as follows:

790.031 Any person engaged in the business of insurance in the State of California is required to act in good faith toward, and to deal fairly with, current and prospective policyholders and other persons intended to be protected by any policy of insurance. A policyholder or a third-party may bring an action against an insurer or licensee for violation of the provisions of this article, including but not limited to subdivision (h) of Section 790.03.

In accordance with the Unruh Civil Rights Act, Civil Code section 51, an insurer shall not arbitrarily discriminate against individuals in the setting of insurance rates or in the denial of insurance coverage.

The purpose of this article is to regulate unfair insurance practices, including unfair claims practices, by providing state-court remedies, including compensatory and exemplary damages, to policyholders and claimants who are victims of unfair insurance practices. It is specifically intended that these remedies be construed to regulate the business of insurance regardless of whether the policy was purchased individually or as a member of a group, and regardless of whether or not the policy was purchased or provided by or through an employer, and thereby to provide that state-law remedies are available notwithstanding the provisions of the Employee Retirement and Income Security Act, 29 U.S.C. section 1001 et seq.

Any award of punitive damages against an insurer shall not be passed on to policyholders directly or indirectly.

SECTION 14. Prohibition of Conflicts of Interest

Section 12907 is added to Chapter 1 of Division 3 of Part 6 of the Insurance Code to read as follows:

12907. It is unlawful for any person who has served as Insurance Commissioner or as Insurance Consumer Advocate to accept any employment with, to accept any compensation from, to undertake representation of, or to hold a material financial interest in any insurance company, insurance trade association, or licensee of the Department of Insurance for a period of twelve months after leaving office.

SECTION 15. Responsibility for Automobile Accidents

Section 3333.6 is added to the Civil Code to read:

3333.6 It is the will of the People that persons who wrongfully cause damages to others in the ownership or operation of a motor vehicle should be held legally responsible for the full extent of the injuries they cause. It is the intent of the People that the provisions of this act be construed to be in conflict with the provisions of any other initiative statute passed at the same election dealing with compensation for motor vehicle accidents. Accordingly, it is the will of the People that any other provision of any other measure passed at the same election as this act and dealing with compensation for motor vehicle accidents, shall be of no force or effect unless the other measure receives a higher number of affirmative votes.

SECTION 16. Seniors Health-Care Insurance Protection

Article 6 is added to Chapter 1 of Part 2 of Division 2 of the Insurance Code, to read as follows:

10198. There is in the Department of Insurance a Seniors Bureau of Investigation. The bureau shall be organized and operated exclusively for the purpose of administering and enforcing the provisions of this article and other provisions of law relating to seniors health-care insurance policies. The bureau shall take all actions necessary to fully and faithfully implement the provisions of this article, including but not limited to the following:

- (a) Receiving complaints from seniors.*

(b) Investigating insurers, brokers, agents, and others engaged in the business of insurance.

(c) Vigorously pursuing enforcement and disciplinary actions against insurers, brokers, agents, and others engaged in the business of insurance.

(d) Informing and educating seniors about their legal rights as consumers of seniors health-care insurance policies.

(e) Auditing insurers, brokers, agents, and others engaged in the business of insurance for compliance with legal requirements.

(f) Evaluating policy forms and premium levels.

(g) Recommending legislation and regulations to reduce the incidence of unfair and deceptive practices against seniors with regard to health insurance.

The commissioner shall include within his or her annual report to the Governor a summary of the actions and accomplishments under this article.

10198.01 For purposes of this article, "seniors health-care insurance policies" includes the following types of policies sold to seniors eligible for Medicare by reason of age:

(a) A policy to supplement Medicare.

(b) A dread-disease policy.

(c) A hospital indemnity policy.

(d) A major-medical or surgical policy.

(e) Skilled nursing home policies and long-term custodial or home health-care policy.

(f) Other, similar policies.

10198.02 All policyholders and prospective policyholders of seniors health-care insurance policies are entitled to all of the following:

(a) The right to truthful and honest advertising.

(b) The right to a fair return on their money.

(c) The right to fair sales practices.

(d) The right to a readable policy.

(e) The right to shop effectively in a competitive market for insurance.

(f) The right to prompt and fair claims procedures and settlement practices.

(g) The right to prompt redress of complaints.

(h) The right to swift and meaningful enforcement of the law.

10198.03 An insurer, broker, agent, and other person engaged in the business of insurance shall not knowingly recommend for sale, or sell, an insurance policy to supplement Medicare insurance directly to a Medi-Cal beneficiary. Upon sale of any insurance policy to supplement Medicare, the policyholder shall sign and date a statement verifying that they are not eligible for, nor do they receive, Medi-Cal benefits. Verification shall be required on the insurance policy enrollment or application form.

10198.04 With regard to the provisions of this article, all insurers, brokers, agents, and others engaged in the business of insurance owe a policyholder or prospective policyholder of a seniors health-care insurance policy a duty of honesty, good-faith, and fair dealing. This duty is in addition to any other duty, whether express or implied, that may exist.

10198.05 (a) No insurer, agent, broker, or other person engaged in the business of insurance or any other person or entity shall develop or use a list of names, addresses, or phone numbers compiled in a manner that has the capacity or tendency to deceive or mislead the policyholder or potential policyholder for the purpose of selling or otherwise transferring seniors health-care insurance policies.

(b) No insurer, agent, broker, or other person engaged in the business of insurance or any other person or entity shall represent themselves as a government agency, nonprofit or charitable institution, or seniors organization, or representative thereof, to any policyholder or prospective policyholder of a seniors health-care insurance policy in a manner that may have the capacity or tendency to deceive or mislead the policyholder or prospective policyholder.

10198.06 No insurer, agent, broker, or other person engaged in the business of insurance shall cause a policyholder to replace a seniors health-care insurance policy unnecessarily. It shall be presumed that any third, or greater, policy sold to a policyholder in any twelve-month period is unnecessary within the meaning of this section.

10198.07 No insurer shall pay or offer to pay, and no agent or broker shall accept, compensation for the sale of any seniors health-care insurance policy which varies by more than ten percent of the annual premium between the initial compensation paid or received for the first year the policy is in force and any renewal compensation paid or received in any subsequent year. This section applies even if renewal compensation is not offered or paid.

10198.08 (a) Annually insurers shall submit to the commissioner their loss ratio for each policy form of seniors health-care insurance, based on experience of all policies issued or in force in this state during the preceding calendar year. The submissions of each insurer shall be public documents. The commissioner shall provide the Legislature and the Governor with a summary of said submissions.

(b) After January 1, 1990, no seniors health-care insurance policy shall be sold in this state unless the policy's outline of coverage, as described in Section 10195, prominently and conspicuously displays that policy's loss ratio for the insurer, as reported to the commissioner.

(c) Seniors health-care insurance policies shall have a minimum loss ratio of 65 percent for individual policies and 75 percent for group policies.

(d) It shall be an unfair insurance practice to report incurred losses that are not supported by a good-faith belief that losses in the reported amount will be paid within a reasonable time not to exceed five years.

10198.09 (a) As prescribed in this section, the commissioner shall have the authority to assess administrative penalties against insurers, agents, brokers, and others engaged in the business of insurance or any other person or entity for violations of this article.

(b) Whenever the commissioner reasonably believes that any insurer, agent, broker, or other person engaged in the business of insurance or any other person or entity has violated this article, he or she shall make and serve upon the insurer, agent, broker, or other person engaged in the business of insurance or any other person or entity, a notice of hearing. The notice shall state the commissioner's intent to assess administrative penalties, the time and place of the hearing and the conduct, condition, or ground upon which the commissioner is holding such hearing and proposing the assessment of penalties. The hearing shall be held within 30 days after such notice is served. Within 30 days after the conclusion of the hearing, the commissioner shall issue an order specifying the amount of penalties to be paid, if any. Penalties shall be paid into the state insurance fund.

(c) Any broker, agent, or other person engaged in the business of insurance, other than an insurer, or any other person or entity, who violates the provisions of this article is liable for administrative penalties of no less than one thousand dollars (\$1,000) and no more than twenty-five thousand dollars (\$25,000) for each violation.

(d) Any insurer which violates the provisions of this article is liable for administrative penalties of no less than ten thousand dollars (\$10,000) and no more than one hundred thousand dollars (\$100,000) for each violation.

(e) The powers vested in the commissioner by this section shall be in addition to any and all other powers and remedies vested in the commissioner by law.

10198.10 Actions for injunctive relief, compensatory damages, punitive damages, restitution, penalties, or any other remedy provided in law or equity may be brought in superior court by the Attorney General, a district attorney, or a city attorney on behalf of the people of the State of California, or by any person against any person violating, or threatening to violate, this article. The court shall award reasonable attorneys fees for successful prosecution of such actions.

10198.11 Any person who intentionally violates any provision of this article is guilty of a public offense punishable by imprisonment in the county jail not exceeding one year or by imprisonment in the state prison.

10198.12 The requirements and remedies provided by this article are in addition to any other requirements and remedies provided by law.

SECTION 17. Regulation of Attorneys' Fees

Section 6146.6 of the Business and Professions Code is added, to read as follows:

6146.6 In addition to any other obligation imposed upon attorneys by law, attorneys shall advise prospective clients in writing that fees are not set by law, but are negotiable without restriction between attorney and client. Fees shall not be set by law. The existing right of clients to negotiate fees without restriction and to receive written fee agreements is hereby ratified.

When fees are based on the amount recovered, the contract shall specifically state whether the calculation is based on recovery before or after deduction of costs and expenses.

The provisions of this section do not apply to any matter for which attorneys' fees are set by statute existing on January 1, 1988.

SECTION 18. Appropriations and Assessments

Article 8 is added to Chapter 2 of Division 3 of the Insurance Code to read as follows:

13700. The moneys appropriated pursuant to this act shall be funded entirely by fees assessed by the commissioner as follows:

(a) The commissioner shall establish a schedule of fees for filings made pursuant to section 1852.1 that will produce revenues sufficient to carry out the provisions of Sections 4, 8, and 9 of this act.

(b) For each year commencing with the 1989-90 fiscal year, the commissioner shall establish a schedule of fees for filings made pursuant to section 10198.08 that will produce revenues sufficient to carry out the provisions of Section 16 of this act.

(c) The commissioner shall establish a schedule of modest fees for use of the consumer information program created by Section 11629.606.

Said fees shall be deposited in the Insurance Fund.

13701. (a) For fiscal year 1988-89, there is hereby appropriated from the Insurance Fund, for the purpose of carrying out this act, the following amounts, which shall be in addition to amounts otherwise appropriated:

(1) To the Department of Insurance, the sum of eight million dollars (\$8,000,000.00).

(2) To the Department of Justice, the sum of two million dollars (\$2,000,000.00).

(b) It is the will of the People that, for fiscal year 1989-90 and each year thereafter, the Legislature appropriate from the Insurance Fund an amount

sufficient to fund adequately the activities of state government specified in this act.

SECTION 19. Amendment

(a) Except as provided in subdivision (b) of this section, this act may be amended or repealed only by one of the following two procedures:

(1) This act may be amended to further its purposes by statute passed in each house by roll-call vote entered in the journal, two-thirds of the membership concurring, and signed by the Governor, if at least twelve days prior to passage in each house the bill is in its final form.

(2) This act may be amended or repealed by a statute that becomes effective when approved by the electors.

(b) Notwithstanding the provisions of subdivision (a) of this section, Sections 15 and 17 of this act may be amended or repealed by statute approved by the electors after the effective date of this act or by subsequent statute passed by the Legislature and signed by the Governor as otherwise provided by law.

SECTION 20. Severability

If any provision of this act, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of this act, to the extent it can be given effect, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby, and to this end the provisions of this act are severable.

SECTION 21. Liberal Construction

This act shall be liberally construed and applied to promote its underlying purposes.

**Number
on ballot**

101. Automobile Accident Claims and Insurance Rates.

[Submitted by the initiative and rejected by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. (a) We the people of the State of California hereby find and declare that insurance coverage of liability for bodily injury arising out of the use of motor vehicles has become unaffordable to many individuals and businesses.

(b) We the people also find and declare that the high cost of this coverage is the result of the bodily injury reparations system in effect today.

(c) In order to address these concerns, we the people further find and declare that it is necessary and proper to (1) reform the reparations system as set forth in the statutes of this state and as developed in numerous court decisions, and (2) as a direct result, reduce by 50 percent premiums for coverage of liability for bodily injury provided by policies covering liability arising out of the use of any motor vehicle.

(d) With these goals in mind, we the people do hereby enact this initiative measure.

SEC. 2. Section 6146.6 is added to the Business and Professions Code, to read:

6146.6. (a) For the purposes of this section:

(1) "Bodily injury" means injury to a person which arises out of the use of a motor vehicle as a motor vehicle and any sickness or disease that results from the injury. Bodily injury does not mean injury occurring during the use of a motor vehicle but not arising out of that use.

(2) *“Economic losses” means objectively verifiable past and future monetary losses not compensable from other sources, including medical expenses, loss of earnings, including future loss, burial costs, loss of business, loss of employment opportunity, and costs of obtaining necessary substitute domestic services, excluding services rendered by relatives, members of the injured person’s household, or others under age 16. No other losses or damages shall be considered economic losses.*

(3) *“Motor vehicle” means any vehicle designed primarily for use on streets and highways and subject to motor vehicle registration under the laws of California.*

(4) *“Person” means a natural person and not a corporation, partnership, association, or trust.*

(5) *“Use of a motor vehicle” means operating, maintaining, loading, or unloading a motor vehicle.*

(b) *An attorney shall not contract for or collect a contingency fee for representing any person seeking damages in connection with a claim for bodily injury, which is not both serious and permanent as defined in subdivision (b) of Section 3333.6 of the Civil Code, or which does not involve serious and irreparable permanent disfigurement, presented to an insurer providing coverage of liability for bodily injury arising out of the use of a motor vehicle, in excess of 25 percent of the economic losses recovered.*

(c) *This section does not apply to either survival actions provided for in Section 573 of the Probate Code or wrongful death actions.*

(d) *This section only applies to causes of action arising from accidents that occur on and after November 9, 1988, and on or before December 31, 1992.*

SEC. 3. Section 6147 of the Business and Professions Code is amended to read:

6147. (a) An attorney who contracts to represent a plaintiff on a contingency fee basis shall, at the time the contract is entered into, provide a duplicate copy of the contract, signed by both the attorney and the plaintiff, or his guardian or representative, to the plaintiff, or to the plaintiff’s guardian or representative. The contract shall be in writing and shall include, but is not limited to, all of the following:

(1) A statement of the contingency fee rate which the client and attorney have agreed upon.

(2) A statement as to how disbursements and costs incurred in connection with the prosecution or settlement of the claim will affect the contingency fee and the client’s recovery.

(3) A statement as to what extent, if any, the plaintiff could be required to pay any compensation to the attorney for related matters that arise out of their relationship not covered by their contingency fee contract. This may include any amounts collected for the plaintiff by the attorney.

(4) Unless the claim is subject to the provisions of Section 6146 or 6146.6, a statement that the fee is not set by law but is negotiable between attorney and client.

(5) If the claim is subject to the provisions of Section 6146 or 6146.6, a statement that the rates set forth in that section are the maximum limits for the contingency fee agreement, and that the attorney and client may negotiate a lower rate.

(b) Failure to comply with any provision of this section renders the agreement voidable at the option of the plaintiff, and the attorney shall thereupon be entitled to collect a reasonable fee.

(c) This section shall not apply to contingency fee contracts for the recovery of workers' compensation benefits.

SEC. 4. Section 3333.6 is added to the Civil Code, to read:

3333.6. (a) For the purposes of this section:

(1) "Bodily injury" means injury to a person which arises out of the use of a motor vehicle as a motor vehicle and any sickness or disease that results from the injury. Bodily injury does not mean injury occurring during the use of a motor vehicle but not arising out of that use.

(2) "Economic losses" means objectively verifiable monetary past and future losses not compensable from other sources, including medical expenses, loss of earnings, including future loss, burial costs, loss of business, loss of employment opportunity, and costs of obtaining necessary substitute domestic services, excluding services rendered by relatives, members of the injured person's household, or others under age 16. No other losses or damages shall be considered economic losses.

(3) "Motor vehicle" means any vehicle designed primarily for use on streets and highways and subject to motor vehicle registration under the laws of California.

(4) "Noneconomic losses" means all losses except those specifically defined as "economic losses" in paragraph (2), including, but not limited to, subjective, nonmonetary losses such as pain and suffering, inconvenience, mental suffering, emotional distress, loss of society, loss of companionship, loss of consortium, injury to reputation, humiliation, or any combination of the above.

(5) "Person" means a natural person and not a corporation, partnership, association, or trust.

(6) "Use of a motor vehicle" means operating, maintaining, loading, or unloading a motor vehicle.

(b) No person or entity may recover noneconomic losses in excess of 25 percent of economic losses for bodily injury resulting from or caused by an accident arising out of the use of a motor vehicle unless the person seeking recovery, as a direct result of the accident, has suffered an injury resulting in either of the following:

(1) Serious and irreparable permanent disfigurement.

(2) Any injury which is both serious and permanent. An injury is "serious" for the purposes of this paragraph only if it substantially prohibits the injured person from resuming substantially all of his or her normal activities. An injury is "permanent" only if its effects cannot be eliminated by further time for recovery or by further medical treatment and care, including surgery, or both.

(c) This section does not apply to either survival actions provided for under Section 573 of the Probate Code or wrongful death actions.

(d) This section only applies to causes of action arising from accidents that occur on or after November 9, 1988, and on or before December 31, 1992

SEC. 5. Section 425.14 is added to the Code of Civil Procedure, to read:

425.14. (a) For purposes of this section:

(1) "Bodily injury" means injury to a person which arises out of the use of a motor vehicle as a motor vehicle and any sickness or disease that results from the injury. Bodily injury does not mean injury occurring during the use of a motor vehicle but not arising out of that use.

(2) "Economic losses" means objectively verifiable monetary past and future losses not compensable from other sources, including medical expenses, loss of earnings, including future loss, burial costs, loss of business, loss of employment opportunity, and costs of obtaining necessary substitute domestic services,

excluding services rendered by relatives, members of the injured person's household, or others under age 16. No other losses or damages shall be considered economic losses.

(3) *"Motor vehicle" means any vehicle designed primarily for use on streets and highways and subject to motor vehicle registration under the laws of California.*

(4) *"Noneconomic losses" means all losses except those specifically defined as "economic losses" in paragraph (2), including, but not limited to, subjective, nonmonetary losses, such as pain and suffering, inconvenience, mental suffering, emotional distress, loss of society, loss of companionship, loss of consortium, injury to reputation, humiliation, or any combination of the above.*

(5) *"Person" means a natural person and not a corporation, partnership, association, or trust.*

(6) *"Use of a motor vehicle" means operating, maintaining, loading, or unloading a motor vehicle.*

(b) *No claim to recover noneconomic losses in excess of 25 percent of economic losses, resulting from or caused by an accident arising out of the use of a motor vehicle, shall be included in a complaint or other pleading unless the court enters an order allowing an amended pleading to be filed that includes a claim for noneconomic losses in excess of 25 percent of economic losses. The court may allow the filing of an amended pleading claiming noneconomic losses in excess of 25 percent of economic losses on a motion by the party seeking the amended pleading if the court finds that the plaintiff has established that there is a substantial probability that the plaintiff will prevail on the claim that the limitations provided in Section 3333.6 of the Civil Code do not apply on the basis of the findings of the physician selected pursuant to subdivision (c), the findings of other physicians, and any other relevant information the court wishes to consider. The court shall not grant a motion allowing the filing of an amended pleading that includes a claim for noneconomic damages in excess of 25 percent of economic damages if the motion for the order is not filed within two years after the complaint or initial pleading is filed.*

(c) *If a defendant disputes that the plaintiff's injury meets the requirements of Section 3333.6 of the Civil Code, the plaintiff shall be examined by a neutral physician selected pursuant to this subdivision. The county medical association for the county in which the action has been filed shall furnish, upon request of either party, the names of three physicians whose specialties qualify them to evaluate the injury, whose practices are located in the county in which the action has been filed, and who have agreed to provide examinations for the purposes of this section. If the county medical association is unable to furnish the names of three physicians, the Board of Medical Quality Assurance shall furnish the names. If there are not three physicians whose practices are located in the county in which the action has been filed, whose specialties qualify them to evaluate the injury, and who have agreed to provide examinations for the purposes of this section, the county medical association or the Board of Medical Quality Assurance, as applicable, shall furnish the names of three qualified physicians whose practices are located in a nearby county and whose practices are closest to the county in which the action has been filed. The plaintiff and defendant shall each eliminate one name. The remaining physician shall examine the plaintiff and furnish copies of his or her written findings to the plaintiff, defendant, and the court. Both parties shall share equally in the costs of the examination. The examination provided pursuant to this subdivision shall be in addition to other discovery provided for by law. If the plaintiff refuses to submit to the*

examination, the court shall deny plaintiff's motion for an order allowing an amended pleading to be filed that includes a claim for noneconomic losses in excess of 25 percent of economic losses.

(d) This section does not apply to either survival actions provided for in Section 573 of the Probate Code or wrongful death actions.

(e) This section only applies to causes of action arising from accidents that occur on or after November 9, 1988, and on or before December 31, 1992.

SEC. 6. Section 1852.5 is added to the Insurance Code, to read:

1852.5. (a) *For the purposes of this section:*

(1) "Bodily injury" means injury to a person which arises out of the use of a motor vehicle as a motor vehicle and sickness, disease, or death that results from the injury. Bodily injury does not mean injury occurring during the use of a motor vehicle but not arising out of that use.

(2) "Motor vehicle" means any vehicle designed primarily for use on streets and highways and subject to motor vehicle registration under the laws of California.

(3) "Person" means a natural person and not a corporation, partnership, association, or trust.

(4) "Use of a motor vehicle" means operating, maintaining, loading, or unloading a motor vehicle.

(b) For any coverage of liability for bodily injury arising out of the use of a motor vehicle provided by policies issued or renewed in this state with an effective date on or after November 9, 1988, the maximum premium rate charged by each motor vehicle liability insurer admitted in this state shall be the lower of the following:

(1) The insurer's premium rate in effect on October 31, 1988, reduced by 50 percent.

(2) The insurer's premium rate in effect on October 31, 1987, increased in an amount not to exceed the amount of the Physicians' Services component of the Consumer Price Index applicable to California for the period of time from October 1, 1987, to November 1, 1988, reduced by 50 percent.

The maximum premium rate shall also apply to premium rates for any uninsured motorist coverage of bodily injury.

(c) No insurer required to reduce premium rates pursuant to subdivision (b) may increase premium rates for coverage for bodily injury arising out of the use of any motor vehicle for any policy issued or renewed with an effective date before November 9, 1989. For any policy issued or renewed with an effective date from November 9, 1989, to December 31, 1992, the premium rates for coverage for bodily injury arising out of the use of any motor vehicle shall not be increased at an annual rate in excess of the Physicians' Services component of the Consumer Price Index applicable to California for the 12-month period preceding the increase.

(d) Each insurer required to reduce premium rates pursuant to subdivision (b) shall file a report evidencing compliance with its provisions with the commissioner by December 9, 1988. The report shall set forth the insurer's premium rates in effect on October 31, 1987, and October 31, 1988, for coverage of liability for bodily injury, and the reduced premium rates in effect on and after November 9, 1988. From November 9, 1989, to December 31, 1992, each insurer shall file a report within 30 days of any change in premium rates for coverage of liability for bodily injury arising out of the use of any motor vehicle with the commissioner. The

report shall set forth the insurer's premium rates in effect prior to the change in premium rates, for coverage of liability for bodily injury, and the insurer's new premium rates.

(e) (1) Each motor vehicle liability insurer admitted in this state, including an insurer admitted after November 8, 1988, that did not have premium rates in effect for new business on October 31, 1988, for any coverage of liability for bodily injury arising out of the use of a motor vehicle because it did not offer that coverage on or before that date shall not increase premium rates initially imposed in excess of the amounts specified in subdivision (c), shall file a report of any change in premium rates as required by subdivision (d), and, if applicable, shall be subject to paragraph (2).

(2) If a motor vehicle liability insurer described in paragraph (1) is a subsidiary of, is controlled by, is a surviving corporation of, or is subject to common control along with an insurer required to reduce premium rates pursuant to subdivision (b), it may not have premium rates in excess of those permitted for the insurer required to reduce premium rates pursuant to subdivision (b).

For the purposes of this paragraph, "control" has the meaning set forth in subdivision (a) of Section 160 of the Corporations Code, "subsidiary" has the meaning set forth in Section 189 of the Corporations Code, and "surviving corporation" has the meaning set forth in Section 190 of the Corporations Code.

(3) If a motor vehicle liability insurer described in paragraph (1) is not subject to paragraph (2), then prior to the offer of any coverage of liability for bodily injury arising out of the use of a motor vehicle, it shall file its premium rates with the commissioner and obtain the commissioner's approval of those rates. Paragraph (1) shall apply to any subsequent increase in premium rates.

(f) This section applies to policies issued pursuant to Article 4 (commencing with Section 11620) of Chapter 1 of Part 3 of Division 2.

(g) The commissioner shall enforce the provisions of this section in accordance with Article 7 (commencing with Section 1858) including, but not limited to, by means of appropriate suspensions and revocations of certificates of authority and penalties.

(h) Except as provided in this section, the rating and classification of motor vehicle insurance shall be regulated in accordance with the provisions of Section 1852 in effect on January 1, 1988.

(i) Except as expressly provided, this section shall not affect the Insurance Code or any regulations issued pursuant to the Insurance Code.

SEC. 7. Section 3333.6 of the Civil Code, added by Section 4 of this measure and Section 1852.5 of the Insurance Code, added by Section 6 of this measure, are dependent on each other and are not severable

SEC. 8. (a) Except as provided in subdivision (b), the provisions of this measure shall not be amended by the Legislature by any bill which becomes operative on or before December 31, 1992, unless the bill (1) furthers the purposes of this act and is passed in each house by rollcall vote entered in the journal, two-thirds of the membership concurring or (2) becomes effective only when approved by the electors.

(b) For any bill with an operative date on or after January 1, 1993, or that amends or repeals Section 6147 of the Business and Professions Code, as amended by Section 3 of this measure, the Legislature may amend or repeal the provisions of this measure by whatever vote is otherwise applicable to the bill and the bill need not be approved by the electors.

Number
on ballot

102. Reporting Exposure to AIDS Virus.

[Submitted by the initiative and rejected by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. *This initiative and Chapter 1.11 (commencing with Section 199.20) of Part 1 of Division 1 of the Health and Safety Code shall be known and may be cited as the California Physicians for Logical AIDS Response Public Health Act of 1988.*

SEC. 2. *The people of the State of California find and declare all of the following:*

(a) *The Surgeon General of the United States, at the request of the President, has reported to the American public that the acquired immune deficiency syndrome (AIDS) epidemic is a major public health issue, and its impact on our society is presently, and will continue to become, increasingly devastating.*

(b) *The National Academy of Sciences Institute of Medicine has also reported to the American public that if the spread of the virus is not checked the present epidemic will become a world wide catastrophe.*

(c) *AIDS is a fatal, infectious, and communicable disease, dangerous to the public health.*

(d) *The provisions of this initiative are necessary for the preservation of public health.*

SEC. 3. Section 199.19 is added to Chapter 1.11 (commencing with Section 199.20) of Part 1 of Division 1 of the Health and Safety Code, to read:

199.19. As used in this chapter, "AIDS" means acquired immune deficiency syndrome.

For purposes of this chapter, the term "tested positive" refers only to results of a generally acceptable confirmatory test or tests and not to any screening test unless the test is also considered to be a generally acceptable confirmatory test.

SEC. 4. Section 199.20 of the Health and Safety Code is amended to read:

199.20. To protect the privacy of individuals who are the subject of blood testing for antibodies to the evidence of infection by any probable causative agent of acquired immune deficiency syndrome (AIDS) AIDS the following shall apply:

Except as provided in this chapter, Section 1603.1, or Section 1603.3, as amended by AB 488 of the 1985/86 Regular Session, no person shall be compelled in any state, county, city, or other local civil, criminal, administrative, legislative, or other proceedings to identify or provide identifying characteristics which would identify any individual who is the subject of a blood test to detect antibodies to the evidence of infection by any probable causative agent of AIDS.

SEC. 5. Section 199.21 of the Health and Safety Code is amended to read:

199.21. (a) Any person who, without written authorization, negligently discloses results of a blood test to detect antibodies to the evidence of infection by any probable causative agent of acquired immune deficiency syndrome AIDS to any third party, in a manner which identifies or provides identifying characteristics of the person to whom the test results apply, except pursuant to a written authorization, as described in subdivision (g), or except as provided in this chapter, Section 1603.1, or Section 1603.3, shall be assessed a civil penalty in an amount not to exceed one thousand dollars (\$1,000) plus court costs, as determined by the court, which penalty and costs shall be paid to the subject of the test.

(b) Any person who, *without written authorization*, willfully discloses the results of a blood test to detect ~~antibodies to the evidence of infection by any~~ probable causative agent of ~~acquired immune deficiency syndrome~~ AIDS to any third party, in a manner which identifies or provides identifying characteristics of the person to whom the test results apply, except ~~pursuant to a written authorization, as described in subdivision (g), or except as provided in this~~ *chapter*, Section 1603.1, or *Section* 1603.3, shall be assessed a civil penalty in an amount not less than one thousand dollars (\$1,000) and not more than five thousand dollars (\$5,000) plus court costs, as determined by the court, which penalty and costs shall be paid to the subject of the test.

(c) Any person who, *without written authorization*, willfully or negligently discloses the results of a blood test to detect ~~antibodies to the evidence of infection by any~~ probable causative agent of ~~acquired immune deficiency syndrome~~ AIDS to a third party, in a manner which identifies or provides identifying characteristics of the person to whom the test results apply, except ~~pursuant to a written authorization, as described in subdivision (g), or except as provided in this~~ *chapter*, Section 1603.1, or *Section* 1603.3, which results in economic, bodily, or psychological harm to the subject of the test, is guilty of a misdemeanor, punishable by imprisonment in the county jail for a period not to exceed one year or a fine of not to exceed ~~ten thousand dollars (\$10,000)~~ *less than one thousand dollars (\$1,000) or more than five thousand dollars (\$5,000)*, or both.

(d) Any person who commits any act described in subdivision (a) or (b) shall be liable to the subject for all actual damages, including damages for economic, bodily, or psychological harm which is a proximate cause of the act.

(e) Each disclosure made in violation of this chapter is a separate and actionable offense.

~~(f) The results of a blood test to detect antibodies to the probable causative agent of acquired immune deficiency syndrome, which identifies or provides identifying characteristics of the person to whom the test results apply, shall not be used in any instance for the determination of insurability or suitability for employment.~~

~~(g)~~ (f) "Written authorization," as used in this section, applies only to the disclosure of test results by a person responsible for the care and treatment of the person subject to the test. Written authorization is required for each separate disclosure of the test results, and shall include to whom the disclosure would be made.

~~(h)~~ (g) Nothing in this section limits or expands the right of an injured subject to recover damages under any other applicable law. Nothing in this section shall impose civil liability or criminal sanction for disclosure of the results of tests performed on cadavers to public health authorities or tissue banks.

~~(i)~~ (h) Nothing in this section imposes liability or criminal sanction for disclosure of a blood test to detect ~~antibodies to the evidence of infection by any~~ probable causative agent of AIDS in accordance with any reporting requirement ~~for a diagnosed case of AIDS by the state department by the State Department of Health Services~~ or the Centers for Disease Control under the United States Public Health Service.

~~(j)~~ (i) The ~~state department~~ *State Department of Health Services* may require blood banks and plasma centers to submit monthly reports summarizing statistical data concerning the results of tests to detect the presence of viral hepatitis and ~~antibodies to the other blood tests indicative of infection by any~~ probable causative agent of AIDS. This statistical summary shall not include the identity of

individual donors or identifying characteristics which would identify individual donors.

~~(k)~~ (j) "Disclosed," as used in this section, means to disclose, release, transfer, disseminate, or otherwise communicate all or any part of any record orally, in writing, or by electronic means to any person or entity.

SEC. 6. Section 199.22 of the Health and Safety Code is amended to read:

199.22. (a) ~~No~~ *Except as provided in this section, no person shall test a person's blood for evidence of antibodies to the infection by any probable causative agent of AIDS without the written consent of the subject of the test ; and the person giving the test shall have a written statement signed by the subject confirming that he or she obtained the consent from the subject .*

This requirement does This consent shall be no different than is required for any other diagnostic blood test.

(b) When the subject of the test is not competent to give consent, consent may be obtained from the subject's parent, guardian, conservator, or other person lawfully authorized to make health care decisions for the subject. For purposes of this subdivision, a minor shall be deemed not competent to give consent, unless he or she is legally emancipated.

(c) The requirements of subdivision (a) do not apply to a any of the following:

(1) A test performed at an alternative site, as established pursuant to Article 8 (commencing with Section 1630) of Chapter 4 of Division 2. This requirement also does not apply to any

(2) Any blood and blood products specified in paragraph (2) of subdivision (a) of Section 1603.1. This requirement does not apply when

(3) When testing is performed as part of the medical examination performed pursuant to Section 7152.5.

(4) Tests conducted pursuant to Section 1202.1 of the Penal Code.

~~(b)~~ (d) *Nothing in this section shall preclude a medical examiner or other physician and surgeon from ordering or performing a blood test to detect antibodies to the evidence of infection by any probable causative agent of AIDS on a cadaver when an autopsy is performed or body parts are donated pursuant to the Uniform Anatomical Gift Act, provided for pursuant to Chapter 3.5 (commencing with Section 7150) of Part 1 of Division 7.*

~~(e)~~ (e) *The requirements of subdivision (a) do not apply when blood is tested as part of a scientific investigation conducted either by medical researchers operating under institutional review board approval or by the state department in accordance with a protocol for unlinked testing. For purposes of this section, unlinked testing the term "unlinked testing" means that blood samples are obtained anonymously or that the individual's name and other identifying information is removed in a manner that precludes the test results from ever being linked to a particular individual in the study.*

An individual or entity conducting unlinked testing as defined in this subdivision shall be exempt from the reporting requirements of Section 199.24. Alternative test sites provided for pursuant to Article 8 (commencing with Section 1630) of Chapter 4 of Division 2 shall not be eligible to conduct unlinked testing, as defined in this subdivision.

SEC. 7. Section 199.23 of the Health and Safety Code is amended to read:

199.23. ~~Neither the state department nor~~ *The State Department of Health Services, any alternative test site provided for pursuant to Article 8 (commencing with Section 1630) of Chapter 4 of Division 2, any blood bank or plasma center, including a blood bank or plasma center owned or operated by a public entity, or any physician and surgeon, shall not be held liable for any damages resulting*

from the notification of test results, as set forth in *this chapter*, or pursuant to paragraph (3) of subdivision (a) ~~of, and in or~~ subdivision (c) of; Section 1603.3; ~~as amended by AB 488 of the 1985/86 Regular Session.~~

SEC. 8. Section 199.24 is added to the Health and Safety Code, to read:

199.24. Notwithstanding Section 199.21 or any other provision of law, any physician and surgeon, blood bank, plasma center, entity, or county that operates an alternative test site established pursuant to Article 8 (commencing with Section 1630) of Chapter 4 of Division 2, or alternative test site, who knows, or has reasonable cause to believe, that a patient or donor has been infected by, or has tested positive in, any test indicating infection by any probable causative agent of AIDS, shall within 48 hours, promptly report this fact to the local health officer in the county where the patient or donor resides. This information, together with the name of the person, if known, and the nature of associated supervening disease, if present, shall be transmitted to the local health officer in accordance with the regulations adopted pursuant to subdivision (b) of Section 199.28. The requirements of this section do not apply to unlinked testing, as defined in subdivision (e) of Section 199.22.

SEC. 9. Section 199.25 of the Health and Safety Code is repealed.

~~199.25. Notwithstanding Section 199.21 or any other provision of law, no physician and surgeon who has ordered a test to detect antibodies to the probable causative agent of acquired immune deficiency syndrome and who has the results of the test shall be held criminally or civilly liable for disclosing to a person believed to be the spouse of a patient that the patient has tested positive on a test to detect antibodies to the probable causative agent of acquired immune deficiency syndrome.~~

~~This section is permissive on the part of the attending physician, and all requirements and other authorization for the disclosure of test results to detect antibodies to the probable causative agent of acquired immune deficiency syndrome are limited to the provisions contained in this chapter, Chapter 1.12 (commencing with Section 199.30) and Sections 1603.1 and 1603.3.~~

SEC. 10. Section 199.25 is added to the Health and Safety Code, to read:

199.25. (a) Notwithstanding Section 199.21 or any other provision of law, no physician and surgeon who has knowledge of the results of any test indicative of infection by any probable causative agent of AIDS shall be held criminally or civilly liable for disclosing the results of the tests, if confirmed to be positive, without the authorization of the subject of the test to any of the following:

- (1) The subject of the test.*
- (2) Any person authorized to consent to the test pursuant to subdivision (b) of Section 199.22.*
- (3) A person believed to be the spouse of the subject of the test.*
- (4) Any person with whom the subject of the test is believe to have had sexual contact, or any other contact believed to pose a threat of infection to that person.*
- (5) Other medical personnel involved in the treatment of the subject of the test.*

(b) Notwithstanding Section 199.21 or any other provision of law, no registered nurse who has knowledge of the results of any test indicative of infection by any probable causative agent of AIDS shall be held criminally or civilly liable for disclosing the results of the tests, if confirmed to be positive, without the authorization of the subject of the test to other medical personnel involved in the treatment of the subject of the test.

(c) This section is permissive on the part of the attending physician and surgeon, and all requirements and other authorization for the disclosure of test

results indicative of infection by any probable causative agent of AIDS are limited to the provisions contained in this chapter, Chapter 1.12 (commencing with Section 199.30), and Sections 1603.1 and 1603.3.

(d) Nothing contained in this section shall be construed to impose any duty upon any physician and surgeon or registered nurse to notify anyone of the fact that a patient has tested positive for any test indicative of infection by any probable causative agent of AIDS, except to any of the following:

(1) The subject of the test.

(2) A person authorized to consent to the test pursuant to subdivision (b) of Section 199.22.

(3) The local health officer pursuant to Section 199.24.

SEC. 11. Section 199.26 is added to the Health and Safety Code, to read:

199.26. (a) Each local health officer is hereby directed to use every available means to ascertain the existence of, and immediately to investigate, all reported cases of persons who have been diagnosed with AIDS or who test positive for any test indicating infection by any probable causative agent of AIDS within his or her jurisdiction, to ascertain the sources and possible transmittal of these infections, and to take all measures reasonably necessary to prevent the transmission of infection. These measures shall include, but not be limited to, notification of these findings to the test subject's spouse, to other known sexual partners of the test subject, and to any other person the public health officer has reasonable cause to believe has been exposed to any probable causative agent of AIDS under conditions posing a substantial risk of infection to that person.

(b) Nothing contained in this section shall be construed to require the use of quarantine or isolation for the management of AIDS. The use of authority vested in California's local health officers to quarantine or isolate shall not be affected by the changes in the law made by the Paul Gann Public Health Act.

SEC. 12. Section 199.27 of the Health and Safety Code, as added by Chapter 663 of the Statutes of 1987, is repealed.

199.27. (a) Any person receiving a test for the presence of antibodies to human immunodeficiency virus (HIV) may disclose the identity of any sexual partners or any person with whom he or she has shared the use of hypodermic needles, to the county health officer, after the person has signed a consent form, provided by the person's physician or designee who has administered the test, which acknowledges that the person is making this disclosure voluntarily.

(b) If a signed consent form has been provided by the person designated by the physician to administer the test, the signed consent form shall be forwarded by the physician's designee to the physician. The physician shall forward any consent forms signed pursuant to subdivision (a) to the county health officer.

(c) The county health officer may alert the sexual partners or the partners of shared needles about their exposure, without disclosing any identifying information about the individual making the disclosure, and shall refer any person to whom a disclosure is made pursuant to this subdivision to alternative test sites where they may wish to obtain testing.

(d) The county health officer shall keep confidential the seropositivity status of the individual making the contact disclosure and the identities of the persons contacted.

(e) Except as provided in Section 1603.1 or 1603.3, no person shall be compelled in any state, county, city, or local civil, criminal, administrative, legislative, or other proceedings to identify or provide identifying characteristics which would identify any individual making a contact disclosure or named as a contact pursuant to this section.

SEC. 13. Section 199.27 of the Health and Safety Code, as added by Chapter 1427 of the Statutes of 1987, is repealed.

~~199.27. (a) (1) When the subject of a blood test to detect antibodies to the probable causative agent of AIDS is not competent to give consent for the test to be performed, written consent for the test may be obtained from the subject's parents, guardians, conservators, or other person lawfully authorized to make health care decisions for the subject. For purposes of this paragraph, a minor shall be deemed not competent to give consent if he or she is under 12 years of age.~~

~~(2) Notwithstanding paragraph (1), when the subject of the test is a minor adjudged to be a dependent child of the court pursuant to Section 360 of the Welfare and Institutions Code, written consent for the test to be performed may be obtained from the court pursuant to its authority under Section 362 or 369 of the Welfare and Institutions Code.~~

~~(b) Written consent shall only be obtained for the subject pursuant to subdivision (a) when necessary to render appropriate care or to practice preventative measures.~~

~~(b) The person authorized to consent to the test pursuant to subdivision (a) shall be permitted to do any of the following:~~

~~(1) Notwithstanding Sections 199.20 and 199.21, receive the results of the test on behalf of the subject without written authorization.~~

~~(2) Disclose the test results on behalf of the subject in accordance with Section 199.20 and 199.21.~~

~~(3) Provide written authorization for the disclosure of the test results on behalf of the subject in accordance with Sections 199.20 and 199.21.~~

SEC. 14. Section 199.27 is added to the Health and Safety Code, to read:

199.27 Every person who is informed that he or she has tested positive for any test indicating infection by any probable causative agent of AIDS shall, within seven days, report to the local health official the name and address of any person from whom the disease may have been contracted and to whom the disease may have been transmitted.

SEC. 15. Section 199.28 is added to the Health and Safety Code, to read:

199.28 (a) Except as provided in subdivisions (c) and (d), all information received by state and local health departments pursuant to Section 199.24 and Section 199.27 shall be confidential, and the State Department of Health Services and any local health officer receiving a subpoena for these records shall assert a privilege pursuant to Section 1040 of the Evidence Code

(b) Not later than 180 days after the effective date of this section, the Director of Health Services shall adopt regulations:

(1) Governing the transmission and maintenance of confidential information transmitted pursuant to Section 199.24.

(2) Establishing procedures for the use of information reported pursuant to Section 199.24 by the State Department of Health Services and local health officers to control the spread of AIDS.

(3) Establish guidelines that are reasonably necessary to prevent the transmission of AIDS.

(c) Any information obtained by a physician and surgeon before, during, after, or as a result of, an examination of a patient who has tested positive for any test indicating infection for any probable causative agent of AIDS and any information transmitted pursuant to Section 199.24, shall be admissible in any of the following:

(1) A criminal action against a patient charged with a violation of any provision of this chapter, Section 1621, or Section 647f or 268 of the Penal Code.

(2) A civil action against the patient for the transmittal, or threatened transmittal, of any probable causative agent of AIDS to an uninfected person or persons.

The privileges provided by Section 994 of the Evidence Code and Section 199.20 are not applicable in any prosecution or proceeding described in this subdivision.

(d) Any physician and surgeon, health officer, or spouse, shall be competent and may be required to testify in any of the following:

(1) A criminal action against the patient charged with a violation of any provision of this chapter, Section 1621, or Section 647f or 268 of the Penal Code.

(2) A civil action against the patient for the transmittal of any probable causative agent of AIDS to an uninfected person or persons.

The privileges provided by Sections 970, 971, 980, 994, and 1014 of the Evidence Code and Section 199.20 are not applicable in any prosecutions or proceedings described in this subdivision.

(e) Regulations adopted pursuant to this section shall require a finding by the director that any public use of information reported pursuant to Section 199.24 or Section 199.27 is essential to control the spread of AIDS.

(f) Nothing in this section shall prohibit a judge in a civil action from issuing protective orders fashioned to protect the privacy of any party or any witness.

SEC. 16. Section 199.285 is added to the Health and Safety Code, to read:

199.285. An employer shall not inhibit or interfere with an employee's decision to wear any protective clothing, gowns, gloves, or other protective gear that the employee deems necessary for protection against contamination by any probable causative agent of AIDS unless the protective gear poses a direct hazard to others in the workplace or prevents the employee from performing the normal duties of his or her job. Nothing in this section shall be deemed to impose a duty, requirement, or obligation on the employer or any other person other than the employee to pay for, furnish, or reimburse the employee for the protective gear.

SEC. 17. Section 199.29 is added to the Health and Safety Code, to read:

199.29. (a) Any person who refuses to give any information, to make any report, to comply with any proper control procedure or examination, or to perform any other duty or act, required by this chapter, or who violates this chapter or any rule or regulation of the State Department of Health Services issued pursuant to this chapter is guilty of a misdemeanor.

(b) Any physician and surgeon who fails to comply with the reporting requirements of this chapter shall be liable for an additional civil penalty of two hundred fifty dollars (\$250) for each violation.

SEC. 18. Section 1208.5 is added to the Health and Safety Code, to read:

1208.5. To the extent permitted by federal law, a clinic shall place a biological hazard label on all items known to the clinic to be soiled by, or containing, body fluids of patients of the clinic infected by any probable causative agent of acquired immune deficiency syndrome (AIDS).

SEC. 19. Section 1287 is added to the Health and Safety Code, to read:

1287. To the extent permitted by federal law, a health facility shall place a biological hazard label on all items known to the health facility to be soiled by, or containing, body fluids of patients of the health facility that are infected by any probable causative agent of acquired immune deficiency syndrome (AIDS).

SEC. 20. Section 1621 is added to the Health and Safety Code, to read:

1621. It is a felony punishable by imprisonment in the state prison for five, seven, or nine years, for any person to donate blood, whether the person is a paid or a volunteer donor, if the person knows that he or she has been infected by any probable causative agent of acquired immune deficiency syndrome (AIDS), or if

the person knows that he or she has tested positive, as defined in Section 199.19, for any test indicative of infection by any probable causative agent of acquired immune deficiency syndrome (AIDS).

For purposes of this section, the term "blood" means "human whole blood" and "human whole blood derivatives," as defined for purposes of this chapter and includes "blood components," as defined in subdivision (l) of Section 1603.1.

SEC. 21. Section 268 is added to the Penal Code, to read:

268. (a) Any person who commits one or more of the offenses listed in subdivision (b) with knowledge that he or she is infected by any probable causative agent of acquired immune deficiency syndrome (AIDS) or that he or she has tested positive, as defined in Section 199.19 of the Health and Safety Code, for any probable causative agent of acquired immune deficiency syndrome (AIDS) at the time of the commission of those offenses, shall receive a three-year enhancement for each violation in addition to the sentence provided under those sections.

(b) Subdivision (a) shall apply to all of the following offenses:

- (1) Rape in violation of Section 261.
- (2) Unlawful intercourse with a female under age 18 in violation of Section 261.5.
- (3) Rape of a spouse in violation of Section 262.
- (4) Unlawful sodomy in violation of Section 286.
- (5) Unlawful oral copulation in violation of Section 288a.
- (6) Lewd and lascivious conduct with a child under the age of 14 in violation of Section 288.
- (7) Rape by foreign object in violation of Section 289.
- (8) Sexual battery in violation of Section 243.4.
- (9) Assault by means likely to produce great bodily injury in violation of Section 245.

SEC. 22. Section 647f is added to the Penal Code, to read:

647f. Any person who violates subdivision (b) of Section 647 with knowledge that he or she is infected by any probable causative agent of acquired immune deficiency syndrome (AIDS) or that he or she has tested positive, as defined in Section 199.19 of the Health and Safety Code, for any probable causative agent of acquired immune deficiency syndrome (AIDS) is guilty of a felony punishable by imprisonment in the state prison for five, seven, or nine years.

SEC. 23. Section 1202.1 is added to the Penal Code, to read:

1202.1. (a) Notwithstanding any other provision of law, in any case wherein a person is charged with a violation of an offense listed in subdivision (d), blood samples may be taken from the person so charged and may be submitted and tested for the presence of evidence of any probable causative agent of acquired immune deficiency syndrome (AIDS). The results of these tests shall, notwithstanding any other provision of law, be subject to communication and disclosure in the same manner as the results of any other bodily fluid test. Each person tested under this section shall be informed of the results of the blood test.

(b) Notwithstanding Section 199.21 of the Health and Safety Code, the results of the blood test or tests to detect infection by any probable causative agent of acquired immune deficiency syndrome (AIDS) shall be transmitted by the clerk of the court to the Department of Justice, which shall include the results of those persons tested under this section in the state summary criminal history information.

(c) Notwithstanding Section 199.21 of the Health and Safety Code, the court, the defense attorney, the prosecuting attorney, and the local law enforcement

agency involved in a criminal investigation or prosecution under Section 647 or 647f shall, upon request, be provided by the Department of Justice with the results of any test or tests as to the person under investigation or being prosecuted under those sections if the results are on file with the department.

(d) For purposes of this section, sexual offenses include any of the following:

- (1) Rape in violation of Section 261.
- (2) Unlawful intercourse with a female under age 18 in violation of Section 261.5.
- (3) Rape of a spouse in violation of Section 262.
- (4) Unlawful sodomy in violation of Section 286.
- (5) Unlawful oral copulation in violation of Section 288a.
- (6) Soliciting, agreeing to engage in, or engaging in, any act of prostitution in violation of subdivision (b) of Section 647.
- (7) Lewd and lascivious conduct with a child under the age of 14 in violation of Section 288.
- (8) Rape by foreign object in violation of Section 289.
- (9) Sexual battery in violation of Section 243.4.
- (10) Assault by means likely to produce great bodily injury in violation of Section 245.

SEC. 24. In the event that any section, subdivision, or portion thereof of this act is deemed unconstitutional by a proper court of law, then that section, subdivision, or portion thereof shall be stricken from the act and all other sections, subdivisions, and portions thereof shall remain in force, alterable only by the people, according to process.

Number
on ballot

104. Automobile and Other Insurance.

[Submitted by the initiative and rejected by electors November 8, 1988.]

PROPOSED LAW

SECTION 1. Title.

This initiative shall be known as the Insurance Cost Control Act of 1988.

SECTION 2. Findings and Declaration.

The people find and declare as follows:

1. Insurance costs, the number of claims and lawsuits, and the size of jury awards have increased greatly in California in recent years. A large percentage of court awards goes to pay legal fees and court costs. These costs are ultimately passed on to the public in the form of higher insurance premiums.

2. A system of no-fault automobile insurance will reduce wasteful litigation, speed payment of claims, and help stabilize insurance costs. A no-fault system which mandates a two year statewide average reduction in the rates for basic automobile insurance for personal injuries (including no-fault insurance, liability insurance, medical payments and uninsured motorist insurance) will result in automobile insurance premium savings.

3. A no-fault automobile insurance system should (a) provide that specified compensation for bodily injuries be paid directly by the insured's insurance company regardless of fault, (b) allow compensation for property damage and additional compensation for serious and permanent injuries to continue to be based on the present fault system, (c) place limits on attorneys' contingency fees, and (d) provide that no insurance company can cancel, refuse to renew, or

increase the rate charged any person for any insurance policy solely on account of any prior payment of a no-fault claim.

4. Penalties should be increased for uninsured motorists.

5. Insurance rates should be established by competition in the open market.

6. Fraudulent insurance claims have resulted in greater insurance costs requiring stronger anti-fraud laws.

7. The insurance Commissioner should impose penalties and fines on insurance companies which unlawfully discriminate in setting rates, and should hear evidence from consumers in proceedings before the Commissioner.

8. Arbitration procedures should be established to allow disputes regarding claims under liability insurance policies to be resolved without costly litigation.

SECTION 3. Purpose.

The people enact this initiative to control the cost of insurance in California by establishing a no-fault system to govern motor vehicle accident claims, by increasing penalties for uninsured motorists, by requiring that insurance rates be established by market competition, by providing an option for speedy resolution by arbitration of disputes with insurers over liability claims and by regulating insurance fraud and anti-competitive insurance company practices.

SECTION 4. California Guaranteed Protection Plan.

There is hereby added to Division 2, Part 3 of the Insurance Code the following Chapter 6, commencing at Section 12001, which shall be known as the California Guaranteed Protection Plan:

12001. Definitions.

(1) "Accident victim" or "victim" means a person suffering personal injury as defined in this Section.

(2) "Basic loss benefits" means (i) required loss benefits and (ii) optional loss benefits.

(3) "Disability" means medically established inability of a victim to perform the usual and customary duties of the victim's occupation.

(4) "Government" means the government of the United States, Canada, any state, the District of Columbia, any Canadian province, any political subdivision of any of the foregoing entities, any instrumentality of two or more of the foregoing entities, or any agency, subdivision, or department of any such government, including any corporation or other association organized by a government for the execution of a government program and subject to control by a government, or any corporation or agency established under an interstate compact or international treaty.

(5) "Insurance" means any policy of insurance, contract, or other undertaking by a duly authorized insurer, self-insurer, or obligated government to pay or provide basic loss benefits in accordance with this Chapter with respect to the ownership, maintenance, or use of one or more specified motor vehicles or classes of motor vehicles, to which such insurance shall be deemed applicable.

(6) "Insured" means, with respect to basic loss benefits:

(a) an individual (hereinafter referred to as a "named insured") identified by name as an insured in a contract of insurance pursuant to this Chapter for any vehicle for which that policy provides insurance; and

(b) a spouse or other relative of a named insured, or an individual below the age of 18 in the custody of a named insured or in the custody of a relative of a named insured, provided such spouse, other relative, or individual is:

(i) neither a named insured in any other contract of insurance in accordance with this Chapter nor obligated to maintain insurance in accordance with this Chapter for any vehicle for which the contract of insurance under which such

person claims to be insured does not constitute such insurance; and

(ii) in residence in the same household with a named insured.

(7) "Insurer" includes an insurer authorized to transact business in this state or, with respect to any policy providing insurance for a vehicle registered in another state, the insurer issuing that policy, and any self-insurer or obligated government providing or obligated to provide basic loss benefits in accordance with this Chapter.

(8) "Medical rehabilitation services" means services reasonably necessary and reasonably designed to reduce the disability and dependence of a victim and to restore such person, to the extent reasonably possible at a cost which is reasonable in relation to the degree of restoration to be achieved, to his/her pre-accident level of physical functioning.

(9) "Medical expense" means reasonable and necessary charges incurred for, or (when products, services, or accommodations are provided without charge by any person who is neither the employer of the victim nor an employee or agent of such employer) the reasonable value of reasonably needed and used products, services, and accommodations for:

(a) professional medical treatment and care for personal injury;

(b) emergency medical services for personal injury;

(c) medical rehabilitation services for personal injury; and

(d) any non-medical care and treatment rendered for personal injury in accordance with a religious method of healing recognized by the laws of this State.

The term does not include that portion of a charge for a room in a hospital, clinic, convalescent or nursing home, or any other institution engaged in providing nursing care, medical care, and related services, in excess of a reasonable and customary charge for semi-private accommodations, unless medically required. Professional medical treatment and care, emergency medical services, and medical rehabilitation services are not to be considered "reasonably needed" unless (i) widely accepted as appropriate and effective for similar injuries or conditions by medical practitioners in this State or the United States, (ii) based upon scientific criteria generally accepted by medical practitioners in this State or the United States, and (iii) not of an experimental or investigational nature.

(10) "Motor vehicle" means a vehicle having more than three load bearing wheels, of a kind required to be registered under the laws of this State relating to motor vehicles, designed primarily for operation upon the public streets, roads, and highways, and driven by power other than muscular power, and includes a trailer drawn by or attached to such a vehicle.

(11) "Non-economic loss" means pain, suffering, emotional distress, inconvenience, physical impairment, loss of society, and any other non-pecuniary damage recoverable under the tort law applicable to a personal injury.

(12) "Optional loss benefits" includes (i) basic loss benefits with monetary and/or temporal limits in excess of required loss benefits and (ii) basic loss benefits provided as a result of a named insured's exercise of an option provided pursuant to Section 12011.

(13) "Owner" means the person in whose name the motor vehicle has been registered. If no registration is in effect at the time of an accident involving the motor vehicle, "owner" means the person who holds the legal title thereto or, in the event the motor vehicle is the subject of a security agreement or lease with option to purchase with the debtor or lessee having the right to possession, "owner" means the debtor or lessee. The term does not include the United States

of America or any agency thereof except with respect to motor vehicles for which it has elected to provide insurance.

(14) "Personal injury" means bodily injury, sickness or disease, including death resulting therefrom, arising out of the use or occupancy of a motor vehicle as a motor vehicle on or after July 1, 1989 which is accidental as to the person suffering the injury; it does not include injury occurring during the use or occupancy of a motor vehicle but not arising out of such use or occupancy.

(15) "Punitive or exemplary damages" means awards or portions of awards which are imposed essentially as a punishment or a penalty and not as compensation to a claimant for whatever proven loss may actually have been incurred by such claimant.

(16) "Required loss benefits" means those benefits required by Section 12003 for economic loss arising out of personal injury.

(17) "Use of a motor vehicle" means operating, maintaining, loading or unloading a motor vehicle, except that such term does not include:

(a) occupying a motor vehicle as a passenger while not operating the motor vehicle;

(b) conduct within the course of a business of repairing, servicing, or otherwise maintaining motor vehicles unless the conduct occurs off the business premises; and

(c) conduct in the course of loading or unloading a commercial vehicle as the term commercial vehicle is defined in Vehicle Code Section 260.

(18) "Work loss" means the loss, during the life of an accident victim, of income such victim would have earned, but is unable to earn because of disability resulting from personal injury, from remunerative employment or self-employment, reduced by 90% of any income from substitute work actually performed by the victim and by 100% of the income the victim would have earned in available appropriate substitute work which he/she was capable of performing but unreasonably failed to undertake. Work loss does not include any loss of income occurring after the death of the accident victim, regardless of the cause of such loss.

12002. Compulsory Motor Vehicle Insurance Requirements.

(a) Each owner of a motor vehicle required to be registered in this State or which is operated in this State by or with the express or implied consent of such owner shall continuously provide and maintain insurance in accordance with this Chapter. Nothing in this Chapter shall be deemed to modify or repeal any existing statutory requirements of financial responsibility including, without limitation, Vehicle Code Sections 16050 to 16057 inclusive.

(b) The insurance required by this Chapter may be provided by a policy of insurance issued by an insurer authorized to transact business in this State or, if the vehicle is registered in another state, by a policy of insurance issued by an insurer authorized to transact business either in this State or in the state in which the vehicle is registered.

(c) Subject to the approval of the Commissioner of Insurance, the insurance required by this Chapter may be provided by self-insurance by filing with the Commissioner in satisfactory form:

(1) a continuing undertaking by the owner or other appropriate person to pay required loss benefits with respect to every vehicle subject to the undertaking and to perform all other obligations imposed by this Chapter and by the motor vehicle financial responsibility laws of this State to the same extent as would be required under a policy of insurance that would comply with this Section and with those laws;

(2) evidence that appropriate provision exists for the prompt and efficient administration of all claims, benefits, and obligations provided by this Chapter and by the motor vehicle financial responsibility laws of this State; and

(3) evidence that reliable financial arrangements, deposits, or commitments exist providing assurance for payment of benefits in amounts required by this Chapter and by the motor vehicle financial responsibility laws of this State and for performance of all other legal obligations relating to such benefits equivalent to those afforded by a policy of insurance that would comply with this Chapter and the motor vehicle financial responsibility laws of this State. A person who provides the compulsory insurance provided under this subdivision is a self-insurer.

(d) A government may provide insurance with respect to any motor vehicle owned or operated by it by lawfully obligating itself to pay required loss benefits in accordance with this Chapter.

(e) The owner of any motor vehicle required to be registered in this State who operates it or permits it to be operated in this State, when he or she knows or should know that he or she has failed to comply with the requirement that he or she provide the compulsory insurance under this Chapter, shall have his or her operator's license and his or her motor vehicle registration revoked or suspended in accordance with procedures established therefor under the motor vehicle financial responsibility laws of this State until he or she shall provide the insurance required by this Chapter, and shall be subject to such other penalties as may be provided by law.

12003. Required loss benefits.

The insurance required under Section 12002 must, at a minimum, provide the following required loss benefits, in accordance with the provisions of Section 12005, to every accident victim for the following types of losses resulting from that accident:

(a) **Medical expense.** Benefits for medical expense, in a total amount not to exceed \$10,000 per accident victim, for products, services, and accommodations furnished within three years of the accident causing the injuries.

(b) **Work loss.** Benefits for work loss occurring within one year from the date of the accident causing the injuries. Because benefits for work loss are non-taxable and because of savings in commuting costs and other work-related expenses, benefits for work loss shall be 80% of the work loss (after deduction of all federal and state taxes) suffered up to a maximum benefit amount of \$1,000 for work loss occurring in any seven day period and a maximum total benefit for all work loss arising out of any one accident of \$15,000 per accident victim.

(c) **Funeral benefit.** In the event death results from a motor vehicle accident within one year of that accident, a single lump sum funeral benefit in the amount of \$5,000 payable to the estate of the deceased victim.

12004. Optional offer.

Any insurer may offer basic loss benefits with monetary and/or temporal limits in excess of the required loss benefits required under Section 12003. Any insurer may offer named insureds the option of purchasing any of the modified forms of basic loss benefits defined in Section 12003 which are authorized by Section 12011.

12005. Payment of benefits.

(a) Persons eligible for required loss benefits shall claim such benefits from sources of insurance in the following order of priority:

(1) If the victim is an employee, and if the personal injury results from a motor vehicle accident while such victim was using or occupying a motor vehicle

furnished by his or her employer, the insurance applicable to such vehicle, if any;

(2) The insurance, if any, under which the victim is or was an insured, selected in accordance with Section 12015;

(3) The insurance, if any, covering a motor vehicle involved in the accident, if the victim is or was an uninsured occupant of such motor vehicle;

(4) The insurance covering any motor vehicle involved in the accident if the victim is not an insured and is occupying a motor vehicle neither owned by him or her nor covered by insurance, provided that an insurer providing required loss benefits to such a victim shall be entitled to indemnity for those benefits and for the costs of processing the claim from the owner of the vehicle occupied by that victim. In the event such owner has made any claim against that insurer or against any person insured by that insurer, the insurer need not pay any benefits to such owner until it has been fully indemnified for required loss benefits and claim processing costs incurred or which might be incurred pursuant to this subdivision.

(5) The insurance covering any motor vehicle involved in the accident if the victim is not an insured and is not occupying any motor vehicle.

(6) In the event no insurance is applicable under the above priorities, a person suffering personal injury shall claim benefits from the owner of any motor vehicle involved in the accident, which owner shall be liable as if an insurer in addition to any tort liability of such owner.

(b) Except as provided by a policy providing a modified form of coverage pursuant to Section 12011, every accident victim shall be eligible for required loss benefits without regard to fault, except for the following classes of victims:

(1) any person involved in a motor vehicle accident while voluntarily engaged in the use or occupancy of a motor vehicle known by him or her to be stolen or to be operated without the permission of its owner;

(2) any person involved in a motor vehicle accident while engaged in the use or occupancy of a motor vehicle owned by him or her (or by his or her spouse residing in the same household) with respect to which no motor vehicle insurance has been provided in accordance with Section 12002;

(3) any person involved in a motor vehicle accident while engaged in the use of a motor vehicle not owned by him or her (or by his or her spouse residing in the same household) for which no insurance has been provided in accordance with Section 12002 if such person

(i) would have been insured under an insurance policy constituting insurance for that vehicle had the owner of that vehicle obtained such a policy; and

(ii) is not an insured under a policy of insurance providing insurance for some other motor vehicle;

(4) any person who intentionally attempts to cause harm, to himself or herself or others, in a motor vehicle accident;

(5) any person who suffers injury while engaged in the use or occupancy of a motorized vehicle with three or fewer load bearing wheels; and

(6) any person who suffers injury while engaged in the commission of a felony.

(c) Only one insurer shall be liable to pay required loss benefits to a person suffering personal injury, except that all owners liable pursuant to priority (6) of subdivision (a) of this Section shall be jointly and severally liable for such benefits.

(d) A victim who is an insured under a policy providing for basic loss benefits in excess of required loss benefits may recover any additional benefits to which such victim is entitled from his or her own insurer.

(e) If two or more insurers are obligated at the same level of priority to pay benefits in accordance with the priorities set forth in subdivision (a) of this Section, the insurer against whom the claim is first made shall pay the claim as if wholly responsible, and may thereafter recover contribution pro rata from any other insurer at that priority level for the costs of the benefit payments. If contribution is sought under priority (4), (5), or (6) of subdivision (a) of this Section, pro ration shall be based on the number of motor vehicles involved.

(f) For purposes of this Section, a parked or unoccupied motor vehicle is not a motor vehicle involved in an accident unless it was so parked as to cause unreasonable risk of injury.

(g) Payment of benefits. (1) Timeliness. Basic loss benefits shall be payable when loss accrues. Loss accrues not when personal injury occurs but when medical expense or work loss is incurred or when death occurs. Benefits payable for accrued losses are not due until the insurer has received reasonable proof of the fact of the loss, the amount of the loss (including the reasonableness and necessity of any medical expenses and the duration of any disability), and the causation of the loss by the accident or until such proof would have been received had the insurer timely requested such proof after being notified of the accrual of the loss. If an insurer uses reasonable diligence to investigate whether a loss of whose accrual it has been notified is payable, reasonable proof of loss is complete only when the insurer has completed its investigation or has received information which demonstrates that further investigation is not reasonably necessary.

(g) (2) Interest on overdue payments. Subject to the provisions of subdivision (g) (3) of this Section and to Section 12014, such benefits are overdue if not paid within thirty days after completion of reasonable proof of the loss sustained in accordance with subdivision (g) (1), except that an insurer may accumulate claims for periods not exceeding one month, and benefits are not overdue if paid within twenty days after the period of accumulation. If reasonable proof is not supplied as to the entire claim, the amount supported by reasonable proof is overdue if not paid within thirty days after such proof is complete. Any part of the remainder of the claim that is later supported by reasonable proof is overdue if not paid within thirty days after such proof is complete. For the purpose of calculating the extent to which any benefits are overdue, payment shall be treated as made on the date a draft or other valid instrument was placed in the United States mail in a properly addressed, postpaid envelope, or, if not so posted, on the date of delivery. All overdue payments shall bear interest at the rate of 18% per annum.

(g) (3) Suspension of benefits. Where an insurer has requested of a person receiving basic loss benefits that such person undergo medical treatment or medical rehabilitation services, and such person unreasonably refuses to comply with such request, the insurer may suspend all future basic loss benefits until such person complies with the request of the insurer, provided, however, that the insurer shall notify the person in writing whose benefits are suspended of its action and the basis thereof and shall maintain proof of its request and the victim's refusal to comply. It shall not be unreasonable for a person utilizing only non-medical care in accordance with a religious method of healing recognized by the laws of this State to refuse to undergo medical treatment to which such person conscientiously objects for religious reasons.

(h) (1) Any dispute between a victim and an insurer regarding the insurer's liability to pay basic loss benefits, the amount thereof, and any interest due thereon shall be submitted to arbitration pursuant to simplified procedures to be promulgated or approved by the Commissioner which procedures shall allow

participation by the parties in the selection of the arbitrator. A decision by an arbitrator may be vacated or modified by a master arbitrator in accordance with simplified procedures to be promulgated or approved by the Commissioner and on such grounds as may be provided by such procedures. The decision of a master arbitrator shall be binding unless set aside by a court for fraud, corruption, bias or misconduct of the master arbitrator, or as exceeding the powers of the master arbitrator. An arbitrator or master arbitrator shall award the claimant reasonable attorneys' fees expended or incurred to obtain basic loss benefits which the arbitrator or master arbitrator finds to have been withheld or delayed without reasonable grounds. Such awards may exceed the limits set forth in Section 12019.

(h) (2) Benefits, interest, and attorneys' fees shall be the only amounts recoverable for any and all disputes relating to a claim for basic loss benefits, including, without limitation, delay in payment, and no other amounts shall be recoverable pursuant to any statute or to the common law, provided that, upon proof that any payment has been delayed or denied by an insurer without any substantial justification, the arbitrator may award, in addition to benefits, interest and attorneys' fees, treble the amount found to have been delayed or denied without any substantial justification and any other consequential economic damages determined by the arbitrator to have been sustained as a result of the unjustified delay or denial in payment. The proceedings specified by subdivisions (h) (1) and (i) (2) of this Section shall be the sole methods of recovering such amounts.

(i) A victim's assignment or agreement to assign any basic loss benefits to become payable under this Chapter, for loss accruing in the future, is unenforceable except as to:

(1) Benefits for work loss assigned to secure payment of alimony, maintenance, or child support; and

(2) Benefits for medical expense to the extent that benefits are for the cost of products, services, or accommodations provided or to be provided by the assignee.

The assignee of a claim shall have no greater right to payment than would the victim had there been no assignment. A provider which accepts an assignment of medical expense benefits for products, services, or accommodations provided or to be provided to a victim shall not receive or demand any additional amount for such services from such victim except to the extent that payment of the reasonable value of or reasonable charges for such products, services, or accommodations as were reasonably necessary is prevented by exhaustion of the aggregate benefit limits or the time limits for furnishing covered products, services, or accommodations applicable under the insurance for such victim's benefits. Any dispute as to the reasonable charges for (or value of) or the reasonable necessity for products, services, or accommodations for which the provider accepted an assigned claim shall be resolved solely between such provider and the insurer denying payment for allegedly unreasonable amounts or unnecessary services, but such disputes are not subject to the arbitration provisions of subdivision (h). However, any action to resolve such a dispute must be commenced within the time allowed for the assignor of the claim to commence an arbitration proceeding, had the claim not been assigned, but in no event later than one year after the insurer has denied payments. If an insurer is found to have withheld or delayed payment on a claim assigned to a provider without reasonable grounds, the provider may recover, as costs of the proceeding, reasonable attorneys' fees (based upon actual time expended) incurred or expended to obtain the benefits which were withheld or delayed without reasonable grounds.

(j) *Benefits for work loss are exempt from garnishment, attachment, execution, and any other process or claim to the extent that wages or earnings are exempt under any applicable law exempting wages or earnings from legal process or claims.*

(k) *If no basic loss benefits have been paid, an arbitration proceeding pursuant to subdivision (h) for basic loss benefits may be commenced not later than one year after the victim suffers the loss. If basic loss benefits have been paid for such loss, an arbitration proceeding pursuant to subdivision (h) for recovery of further benefits for such loss shall be commenced not later than one year after the last payment of benefits but in no event later than one year after death of the victim. The limitations periods prescribed in this Section shall govern all arbitration proceedings for benefits under this Chapter, notwithstanding any limitations prescribed elsewhere in the laws of this State.*

12006. *Interstate basis for insurance.*

(a) *The insurance required by this Chapter applies whenever an insured suffers personal injury occurring within the United States of America, its territories or possessions, or Canada.*

(b) *An insurance policy which purports to provide insurance or is sold with the representation that it fulfills the requirements of insurance as required by this Chapter is deemed to include all coverage required by this Chapter except to the extent that such coverage has been deleted or modified in accordance with this Chapter.*

(c) *Every insurer authorized to transact the business of providing insurance under this Chapter shall submit to the Commissioner of Insurance, as a condition of its continued transaction of such business within this State, a declaration that its motor vehicle insurance policies, providing protection against bodily injury liability, and issued with respect to any motor vehicle registered in the United States of America, its territories or possessions, or Canada, shall be deemed to provide the insurance required by this Chapter and to satisfy the requirements of the motor vehicle financial responsibility laws of this State when any insured vehicle is operated in this State. Any non-admitted insurer may file such a form. Such a declaration does not obligate the insurer to provide uninsured motorist coverage or any other coverage not necessary to establish financial responsibility under this Chapter and the motor vehicle financial responsibility laws of this State.*

(d) *In the event a person who suffers personal injury occurring in this State is entitled to basic loss or other first-party benefits under the insurance requirements of more than one state, such person shall elect to recover under the laws of any one such state and only the benefits payable to such person under the insurance requirements of that state shall be due to such person.*

12007. *Tort suits—preservation of right to sue for damages in certain circumstances.*

(a) *To the extent otherwise permitted by the tort law of this State, an accident victim (or the victim's legal representative) may recover for medical expenses, work loss or funeral expenses to the extent that the amounts of those losses exceed the weekly or aggregate limits on the amounts of such losses for which basic loss benefits are paid or payable or which would have been payable but for the exercise of a cost reducing option authorized by Section 12011.*

(b) *Any accident victim (or the legal representative of the victim) shall have no right to recover any damages in tort for medical expenses or work loss for which basic loss benefits are paid or payable or which would have been payable but for the exercise of a cost reducing option authorized by Section 12011. Any*

accident victim who is ineligible for basic loss benefits pursuant to Section 12005(b) has no right to recover any damages in tort for medical expenses or work loss for which such person would have been eligible for basic loss benefits had he or she not been disqualified by Section 12005(b). Work loss benefits of 80% of the work loss (after deduction of all federal and state taxes) suffered are the benefits recoverable for all of such work loss and no work loss for which such benefits have been paid or are payable shall be recoverable.

(c) No person shall recover non-economic loss for personal injury unless the injury to the victim giving rise to such non-economic loss:

- (1) results in death,*
- (2) consists in whole or in part of a serious and permanent disfigurement, or*
- (3) is an injury which is both serious and permanent within a reasonable degree of medical probability. For purposes of this subparagraph (3), an injury is "serious" only if it has a substantial bearing on the injured person's ability to resume substantially all of his or her normal activities and life style and is "permanent" only if its effects cannot be eliminated by further time for recovery or by further medical treatment and care, including surgery.*

(d) Nothing in this Section 12007 shall limit the right of any person to bring a tort action against:

(1) a person involved in a motor vehicle accident while voluntarily engaged in the use or occupancy of a motor vehicle known to him or her to be stolen, or to be operated without the permission of its owner;

(2) a person engaged in the use of a motor vehicle with respect to which no insurance has been provided in accordance with Section 12002 if such person would have been an insured under a policy of insurance constituting insurance for that vehicle had the owner of such vehicle been the named insured under such a policy;

(3) a person who intentionally attempted to cause harm in a motor vehicle accident;

(4) a person engaged in the use of a motorized vehicle with three or fewer load bearing wheels;

(5) a person who, as a result of committing any one of the following offenses, for which offense that person was convicted, caused harm in a motor vehicle accident:

- (i) any felony;*
- (ii) Vehicle Code Sections 20001 or 20002 (hit and run driving);*
- (iii) Vehicle Code Sections 23152 or 23153 (driving under the influence of alcohol or other controlled substances).*

(6) the owner of any vehicle for which insurance has not been provided in accordance with Section 12002 if such owner is legally responsible for the conduct of some other person engaged in the use of such vehicle, regardless of whether the person so engaged is protected by the limitations on recovery contained in subdivisions (a), (b) and (c) of this Section; for purposes of this subdivision (d) the term "owner" does not exclude the United States of America.

(e) The provisions of subdivisions (a), (b) and (c) of this Section do not apply in those instances where the person suffering personal injury is a person engaged in the use or occupancy of a motorized vehicle with three or fewer load bearing wheels, unless such person had failed to comply with any obligation to maintain insurance with respect to the use of such motorized vehicle imposed by the laws of this State.

(f) Nothing in this Section shall authorize or prohibit the recovery of punitive or exemplary damages from any person whose conduct in the use of a motor vehicle which causes personal injury warrants such an award under the laws of this State, but such punitive or exemplary damages shall not be paid or reimbursed by any insurer.

12008. Subrogation.

No insurer shall have a lien on any recovery in tort by judgment, settlement, or otherwise, or any right to recover from any person for basic loss benefits, whether suit has been filed or settlement has been reached without suit, except in those instances where a claimant is entitled to recover in tort for economic loss with respect to which basic loss benefits have been paid or are payable. Nothing in this Section shall prohibit any insurer from obtaining subrogation from any person who was convicted of a violation of Vehicle Code Section 23152 or Section 23153 (driving under the influence of alcohol or any controlled substance). Any subrogation recovery obtained by an insurer pursuant to the preceding sentence shall be first applied to reimburse the insured for any deductible amounts on any coverage borne by the insured with respect to the loss.

12009. Amount of work loss.

(a) In computing the amount of work loss of an accident victim who is disabled from working as a result of personal injury, it shall be presumed, absent a contrary showing, that such accident victim's income but for such disability during a given period prior to the victim's death would have been the product of

(1) the number of weeks in that period the victim probably would have worked had the victim not been disabled, and

(2) the victim's "probable weekly income if employed" as determined pursuant to this Section.

In no event shall any work loss be computed for any period in which the victim probably would not have worked even if not disabled.

(b) For purposes of subdivision (a) (2) of this Section, a victim's "probable weekly income if employed" shall be determined as follows:

(1) If a victim was regularly employed or self-employed or had been so employed in the prior three months at the time of the accident, the victim's "probable weekly income if employed" shall be the victim's probable annual income divided by 52. The victim's probable annual income shall be the greater of:

(i) twelve times the monthly gross income earned by the victim from work in the month preceding the month in which the accident resulting in personal injury occurred; or

(ii) the average income earned by the victim during the two calendar years preceding the year in which that accident occurred.

(2) If a victim was seasonally or irregularly employed as of the time of the accident causing personal injury, or had been unemployed for at least three months but less than two years, the victim's "probable weekly income if employed" shall be the total gross income of the victim during the prior two years divided by the number of weeks in which the victim worked during that period.

(3) If a victim had not been remuneratively employed or self-employed within the two years next preceding the accident causing personal injury, the victim's "probable weekly income if employed" shall be presumed to be zero, provided that the victim may rebut the presumption by proof that the victim would have been employed during the first year after the accident, and further provided, that the "probable weekly income if employed" shall be presumed not to exceed 80% of the average weekly gross income of a production or non-supervisory worker in

the private non-farm economy in the state in which the victim was domiciled during the year preceding the year in which the accident occurred.

(4) If a victim is disabled from performing one or more but less than all duties of the victim's usual and customary occupation, the victim's work loss shall not include any portion of the victim's probable income but for the disability which the victim reasonably could earn despite the disability. However, if it is more reasonable for the victim to engage in available substitute work, then this limitation shall not apply, and the work loss shall instead be reduced with respect to the substitute work as provided in Section 12001(18).

12010. Source of benefits; net loss.

(a) Where an accident victim is entitled to benefits under any federal or state workers' compensation law for any medical expense incurred because of personal injury or to have his or her employer bear such expense connected with his or her employment without regard to the employer's fault, basic loss benefits shall not be payable for such medical expenses except to the extent that the workers' compensation benefits and employer payments fail to provide for payment of reasonable charges actually incurred for products, services, or accommodations for which basic loss benefits would otherwise be payable. Only those medical expenses actually paid or reimbursed by basic loss benefits shall be considered in determining whether the aggregate limit on payment of basic loss benefits for medical expenses has been reached.

(b) All benefits paid or payable under any state or federal workers' compensation law or any state or federal occupational or non-occupational disability law (including Social Security) on account of disability produced by personal injury shall be deducted from the basic loss benefits otherwise payable for work loss during the same period on account of that same disability, and no basic loss benefits for work loss shall be payable if such other benefits payable for the same period equal or exceed the benefits otherwise payable for work loss during that period

12011. Options to reduce premium costs.

(a) Insurers may offer modified forms of the coverages required by Section 12003 which enable purchasers of insurance to reduce their premium costs by eliminating unwanted, unnecessary or duplicate insurance coverage. Examples of such modified forms of coverage include, but are not limited to, provisions that those insured under the policy (i) would limit or forego required loss benefits which would duplicate benefits available under other insurance or income continuation plans, (ii) would limit or forego required loss benefits for medical care which would be provided without charge pursuant to any agreement with a Health Maintenance Organization or similar entity, (iii) would limit or forego (through deductibles or waiting periods) required loss benefits for smaller losses (provided that the deductible for medical expense shall not exceed \$2,000 per person and all policies shall provide at least \$5,000 per person in coverage for medical expense in excess of the stated deductible), (iv) would limit or forego the weekly required loss benefits payable for work loss to reflect the lack of any earnings by one or more insureds or earnings insufficient to require payment of the maximum benefit amounts specified in Section 12003(b), or (v) would accept medical and medical rehabilitation services in kind from providers of such services engaged by the insurer in lieu of medical expense benefits for such services. The insurer shall provide an appropriate agreed reduction in premium for any policy containing any such modified form of coverage.

(b) Any reduction in or modification of the coverage for required loss benefits shall apply only to insureds under the policy and not to other victims for whom

the policy constitutes insurance for required loss benefits.

(c) Any agreement to accept such a modified form of coverage must be made in writing by a named insured under the policy. Any such agreement by any named insured shall be binding on every insured to whom the policy applies while the policy is in force, and shall continue to be so binding with respect to any continuation or renewal of the policy or with respect to any other policy which extends, changes, supersedes, or replaces the policy issued to the same named insured by the same insurer, or with respect to reinstatement of the policy within 30 days of any lapse thereof.

(d) No such modified coverage shall be offered without giving the named insured the option to purchase the unmodified coverages as specified in Section 12003. Any agreement to accept modified coverage (1) shall recite that it provides for a coverage modification, (2) shall describe the benefit reductions resulting from that modification, (3) shall state that the named insured need not accept that modification to the coverage and may purchase unmodified coverage without the premium reduction given for such modification, and (4) shall be signed by a named insured. At or before the time a named insured enters into such an agreement, the insured shall be given written notice indicating the approximate amount or magnitude of the premium reduction provided on account of such modification. Any agreement to modify coverage complying with this Section shall be conclusively deemed to be valid and binding unless set aside for fraud or mutual mistake.

(e) At the request of any insurer desiring to offer a particular form of modified coverage, the Commissioner shall provide a ruling on whether a specified form of agreement satisfies the requirements of this Section and, if not, the respects in which it fails to do so. Nothing herein shall prevent an insurer from using a form not subject to such a ruling.

12012. Supervision—penalties.

(a) The Commissioner shall regularly and systematically monitor the operation of every insurer providing the insurance required under Section 12002 of this Chapter to assure that such insurers are in compliance with this Chapter.

(b) If, as a result of such review, the Commissioner finds that an insurer is in violation of this Chapter, with such frequency that the conduct of the insurer in violation of the Chapter amounts to a regular and ongoing business practice, he or she may, after hearing, assess a fine against such insurer in an amount not less than \$1,000 nor more than \$50,000, unless he or she finds that the insurer reasonably believed that its conduct was lawful.

(c) If the Commissioner finds that a regular and ongoing business practice violative of this Chapter was (1) committed by an insurer with knowledge on the part of managerial personnel of its illegality or with deliberate and reckless disregard for whether it was legal and (2) designed specifically to deny benefits to eligible victims under this Chapter, he or she may, after hearing, suspend or revoke the insurer's license to do business in this State.

(d) Except as set forth in Section 12005(h) (2), no insurer to which the penalty provisions of this Section apply, nor any officer, director, employee, or agent thereof, shall be subject to punitive or exemplary damages for any claim arising out of allegedly improper handling of any application for basic loss benefits, or any act or omission of such insurer, or any officer, director, employee, or agent thereof, in adjusting any claim for such benefits.

12013. Procedures for Liability Claims and Tort Actions.

(a) No accident victim shall make, directly or through any representative, any demand to settle any claim for damages for personal injury on any insurer which

includes any amount for non-economic loss unless such accident victim or a representative first complies with the following procedures. A victim desiring to make such a demand shall offer in writing to the insurer to which the demand will be addressed an opportunity to conduct an independent medical examination of the victim. Within fifteen days of receipt of such offer to conduct an independent medical examination, the insurer shall either (i) designate in writing a date, time and place for such examination or (ii) state in writing that it waives the opportunity to conduct such examination. The date designated for such examination shall be at least ten days but no later than thirty days after the date of mailing to the accident victim (or legal representative) the written designation of the date, time and place for such examination. A demand to settle a claim for damages for personal injury which includes an amount for non-economic loss may be made (i) at any time after receipt from the insurer of a notice that it waives the opportunity to conduct such examination or (ii) fifteen days after such examination. An insurer shall have no duty to consider any settlement demand made in violation of this Section, and any settlement demand made in violation of this Section shall not be admissible in any action for any purpose.

(b) If any person who suffered personal injury brings an action to recover non-economic losses arising out of that accident, such person may neither plead nor prove the amount of any losses for which basic loss benefits were paid or are payable in his or her action to recover non-economic losses. The court shall instruct the jury that, in arriving at a verdict as to the amount of damages for non-economic losses recoverable by such a person, the jury shall not speculate as to the amount of any medical expenses or other losses not proven in the action or consider such expenses or other losses.

(c) *Pretrial threshold determination.* In any action where the defendant contends that the plaintiff's injury does not meet the requirements of Section 12007(c), either party may seek summary judgment on that issue. If such a motion is made, the court must determine at least 30 days before the date set for trial whether there is any material issue of fact as to whether those requirements have been met and, if not, render summary judgment in accordance with the undisputed facts. If the facts regarding the nature of the injury or disfigurement and its effect on the plaintiff are undisputed, the question of whether those effects render the injury or disfigurement serious and permanent, within the meaning of Section 12007(c), is a question of law to be decided by the court. If the court renders summary judgment on this issue and finds that the party against whom such summary judgment is rendered had no reasonable basis for its position as to whether the requirements of Section 12007(c) had been met, the court shall assess against such party the reasonable costs and attorneys' fees (based upon actual time expended) incurred or expended by the other party to obtain a determination on that issue.

(d) *Bifurcated jury trial of threshold determination.* In any action tried to a jury where the defendant contends that plaintiff's injury does not meet the requirements of Section 12007(c) but the defendant concedes or the court determines that there is a material issue of fact as to whether those requirements have been met, then, upon motion of the defendant, that issue shall be separately tried and no other evidence as to the plaintiff's damages shall be received until that issue has been resolved. After resolution of that issue, the amount of the plaintiff's damages may be tried before the same jury or a different jury, as the court may in its discretion decide.

(e) *Until it has been determined in such action that a plaintiff has met the requirements of Section 12007(c), a liability insurer is not obligated to consider or settle any claim of that plaintiff for non-economic losses unless it has admitted to such plaintiff or to the court that the plaintiff has met those requirements, provided that nothing in this subdivision shall affect the obligation to consider or settle any claim after such determination has been made.*

(f) *Non-joinder of insurers. No motor vehicle liability insurer shall be joined as a party defendant in an action to determine the insured's liability.*

12014. Discovery of facts about an injured person.

(a) *Every employer shall, if a request is made by an insurer providing basic loss benefits under this Chapter against whom a claim has been made, furnish forthwith, in a form approved by the Department of Insurance, a sworn statement of the earnings since the time of the personal injury and for a reasonable period before the injury of the person upon whose injury the claim is based. The sworn statement shall state: "Under penalty of perjury I declare that I have read the foregoing and the facts stated are true to the best of my knowledge and belief." To facilitate the insurer's investigation of these matters, every person claiming basic loss benefits shall, upon request by the insurer, execute a written authorization for release of such information.*

(b) *Every physician, hospital, clinic, or other medical institution providing (before or after a personal injury upon which a claim for basic loss benefits is based) any products, services, or accommodations in relation to that or any other injury, or in relation to a condition claimed to be connected with that or any other injury, shall, if requested to do so by the insurer against whom the claim has been made, furnish a written report of the history, condition, prognosis, disability, dates of disability, treatment, and dates and costs of such treatment of the injured person, together with a sworn statement that the treatment or services rendered were reasonable and necessary with respect to the injury sustained and identifying which portion of the expenses for said treatment or services was incurred as a result of such injury and which portion of any disability resulted from such injury, and produce forthwith and permit the inspection and copying of his/her or its records regarding such history, condition, disability, dates of disability, treatment, and dates and costs of treatment. The sworn statement shall state: "Under penalty of perjury I declare that I have read the foregoing and the facts stated are true to the best of my knowledge and belief." No cause of action for violation of physician/patient privilege shall arise against any physician, hospital, clinic, or other medical institution complying with the provisions of this Section. The person requesting such records and said sworn statement shall pay all reasonable costs connected therewith. To facilitate the insurer's investigation of these matters, every person claiming basic loss benefits shall, upon request by the insurer, execute a written authorization for release of such information.*

(c) *In the event of any dispute regarding an insurer's right to discovery of facts about an injured person's earnings or about his or her history, condition, prognosis, disability, dates of disability, treatment, and dates and costs of such treatment, the insurer may petition a court of competent jurisdiction to enter an order compelling such discovery, which shall be granted where good cause is shown. Notice of such a motion shall be given to all persons having an interest and the petition shall be heard as expeditiously as possible. Any order shall specify the time, place, manner, conditions, and scope of the discovery. Discovery may be denied or may be permitted only upon conditions where necessary to protect against unwarranted annoyance or embarrassment, oppression, or as justice requires. The prevailing party on such a petition shall be awarded*

payment of its reasonable costs and expenses of the proceeding, including reasonable fees for the appearance of attorneys at the proceedings, unless the court determines that the other party's making of or opposition to the motion was substantially justified.

(d) The victim shall be furnished, upon request, a copy of all information obtained by the insurer under the provisions of this Section, and shall pay a reasonable charge, if required by the insurer.

(e) Notice to an insurer of the existence of a claim shall not be unreasonably withheld by a victim.

(f) Where an insurer has requested of a claimant that he/she submit himself/herself to an independent medical examination, said claimant must present himself/herself for such examination at a reasonable location and within a reasonable time after said request is made. In the event the claimant refuses to comply with an insurer's reasonable request for a medical examination, the insurer may deny all future claims for first-party benefits for personal injury (including, but not limited to, basic loss benefits) under any policy of motor vehicle insurance made by or on behalf of the claimant with respect to the same accident.

(g) Exchange of information. Where a third-party liability claim has been made against an insurer, or where the insurer has reason to believe that such a claim will be made, the insurer, upon request, may obtain all pertinent information submitted to any insurer obligated to pay first-party benefits to the claimant under any policy of motor vehicle insurance.

12015. Stacking of coverages prohibited.

If an insured or named insured is protected by any type of insurance pursuant to this Chapter or any type of motor vehicle insurance policy for liability, uninsured motorist, basic loss benefits, or any other coverage, the insurance shall provide that any insured or named insured is protected only to the extent of the coverage provided on the vehicle involved in the accident; however, if none of the vehicles covered by the policies applicable to the insured or named insured is involved in the accident, coverage is available (if provided by the policy) only to the extent of coverage on any one of the vehicles (to be selected by the insured) with applicable coverage. Coverage on any other vehicles shall not be added to or stacked upon that coverage. The foregoing provisions of this Section shall not apply to the extent that any policy of insurance expressly declares that it applies to losses in excess of those covered under other policies of insurance but the coverage provided by such insurance shall not exceed that specified by its terms. For purposes of this Section, the meaning of the term "insurance" is not restricted to that specified in Section 12001(5).

12016. No penalties for use of basic loss benefits.

No insurer shall cancel, refuse to renew, or increase the rate charged for any insurance policy solely on account of any prior payment of basic loss benefits to its insured or applicant.

12017. Uninsured and Underinsured Motorist Insurance.

In any policy affording insurance required by law to be purchased or offered providing for payment of sums which a person insured under that policy would be legally entitled to recover from the owner or operator of an uninsured or underinsured motorized vehicle, the amount which such person would be legally entitled to recover from such owner or operator shall be determined in accordance with subdivisions (a) and (b) of Section 12007 as if such vehicle were a motor vehicle covered by applicable insurance, except that if the victim injured by such uninsured or underinsured motor vehicle would be exempt from the operation of

subdivisions (a) and (b) of Section 12007 pursuant to subdivision (d) of Section 12007, then subdivisions (a) and (b) of Section 12007 shall be disregarded in determining the amount recoverable. In no event shall the benefits payable under uninsured or underinsured motorist coverage required by law to be purchased or offered include any amounts which the insured would be entitled to recover as punitive or exemplary damages or any amounts for which the owner or operator of such vehicle would not have been liable had such owner or operator maintained insurance in accordance with this Chapter. Nothing in the foregoing provisions of this Section shall prevent any insurer from agreeing to provide coverage for losses whose payment is excluded by those provisions but such coverage may be provided only pursuant to an express agreement in writing.

12018. *Initial premium charges.*

(a) During the first two years following the effective date of the California Guaranteed Protection Plan, no insurer may establish or use statewide average premium rates for the New Insurance Package which, as of the effective date of such premium rates, are more than 80% of the statewide average premium rates for the Old Insurance Package.

(b) For purposes of this Section, the statewide average premium rates for the "Old Insurance Package" shall consist of the sum of the statewide average premium rates under that insurer's rating system in effect for new business issued on the day this Chapter is adopted for each of the following coverages:

(1) bodily injury liability coverage with limits of liability for any one accident of \$15,000 for all damages arising from bodily injuries to any one person and \$30,000 for all damages arising from bodily injuries to two or more persons;

(2) uninsured motorist coverage with similar limits; and

(3) primary automobile medical payments coverage with a limit of liability of \$5,000 for all medical payments (without deductible, coinsurance or co-payments) by any one person as a result of any one accident irrespective of other medical coverage.

(c) For purposes of this Section, statewide average premium rates for the "New Insurance Package" shall consist of the sum of the statewide average premium rates for the insurer for the following coverages:

(1) bodily injury liability coverage and uninsured motorist coverage with the same limits as in the Old Insurance Package; and

(2) coverage for required loss benefits pursuant to Section 12003.

(d) The premium charged, either before or after adoption of this Chapter, for coverage for property damage liability shall be disregarded for purposes of this Section, despite any requirement that such coverage be included in the insurance policy issued.

(e) The California Automobile Assigned Risk Plan shall adopt a rating system providing premium reductions from the rates provided by it as of the date this Chapter is adopted comparable to those required by this Chapter for the rating systems established by or on behalf of individual insurers.

(f) The Commissioner of Insurance shall have exclusive jurisdiction, subject to judicial review, to administer and enforce this Section. The Commissioner may require insurers to provide appropriate information about their rating systems in effect at the time this Chapter is adopted and/or at any time within two years after it takes effect. If the Commissioner finds, after appropriate hearings, that any insurer has failed to comply with this Section, he or she may order such insurer to adopt rates in compliance with this Section and to provide an appropriate remedy for any charges in excess of those permitted by this Section.

12019 *Attorneys' Contingency Fees.*

(a) An attorney shall not contract for or collect a contingency fee for representing any accident victim as defined in subdivision (1) of Section 12001 (or legal representative of any accident victim) seeking basic loss benefits and/or damages in connection with any arbitration proceeding or civil action in excess of the following limits:

(1) Fifteen percent of any basic loss benefits recovered, regardless of amount;
(2) Thirty-three and one-third percent of the first fifty thousand dollars (\$50,000) of damages recovered other than basic loss benefits;

(3) Twenty-five percent of the next fifty thousand dollars (\$50,000) of damages recovered other than basic loss benefits;

(4) Fifteen percent of any amount by which the amount of damages recovered other than basic loss benefits exceeds one hundred thousand dollars (\$100,000).

(b) These limitations shall apply regardless of whether the recovery is by settlement, arbitration, or judgment, or whether the person for whom the recovery is made is a responsible adult, an infant or a person of unsound mind.

(c) If periodic payments are awarded to the plaintiff, a total present value shall be placed on these payments based upon the projected life expectancy of the plaintiff and this amount shall be included in computing the total award from which attorney's fees are calculated under this Section.

(d) For purposes of this Section, "recovered" means the net sum recovered after deducting any disbursements or costs in connection with prosecution or settlement of the claim. Costs of medical care incurred by the plaintiff and the attorney's office overhead costs or charges are not deductible disbursements or costs for such purpose

12020. Severability.

If any provision of this Chapter or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the Chapter which can be given effect without the invalid provision or application, and to this end the provisions of this Chapter are declared severable, provided, however, that invalidity of the provisions of Section 12007 shall render this Chapter inoperative.

12021. Effective date.

(a) This Chapter shall take effect on July 1, 1989, shall be effective as to personal injury occurring on or after July 1, 1989, and shall govern policies of insurance in effect on and after that date.

(b) Effective on July 1, 1989, any insurance policy insuring a motor vehicle registered in this State and sufficient to satisfy the financial responsibility requirements of the laws of this State in effect at the time this Chapter is adopted shall be deemed amended to provide the coverages necessary for such policy to constitute insurance pursuant to this Chapter. The insurer shall determine any premium change resulting from such amendment for the remaining portion of the policy period and shall refund any amount due to the policyholder within 90 days after that date. However, if, prior to the expiration of such 90 day period, any payment becomes due under any premium payment plan or any named insured requests that the policy be altered, renewed, extended, or replaced in a way which calls for an increased premium, any amount due to the policyholder as a result of the amendment may be credited against any such premium payment or increased premium rather than being refunded.

SECTION 5. Section 11622 of the Insurance Code is amended to read as follows:

11622. Required Coverage.

Such plan shall require the issuance of a policy affording *coverage for required loss benefits and* coverage in the amount of fifteen thousand dollars (\$15,000) for bodily injury to or death of each person as a result of any one accident and, subject to said limit as to one person, the amount of thirty thousand dollars (\$30,000) for bodily injury to or death of all persons as a result of any one accident, and the amount of five thousand dollars (\$5,000) for damage to property of others as a result of any one accident, or in such minimum amounts as are necessary to provide exemption from the security requirements of Section 16023 of the Vehicle Code or for which proof of ability to respond in damages or adequate protection against liability is otherwise required by law, but shall not require the issuance of a policy affording coverage in excess of said amounts.

SECTION 6. Section 11624 of the Insurance Code is amended to add a new subdivision (f) as follows:

11624. *Requirements of Plan.*

~~The~~ *Such* plan shall contain:

...

(f) *Provisions specifying what modified forms of coverage, if any, shall be made available pursuant to Section 12011.*

~~(f) Any~~ (g) *Such* other provisions as may be necessary to carry out the purpose of this article.

SECTION 7. Division 3, Article 5 of the Insurance Code is amended as follows:

Article 5. ~~Bureau of Fraudulent Claims~~ *Investigation and Prosecution of Insurance Fraud*

12990. *Bureau of Fraudulent Claims.*

~~There is created within the department a Bureau of Fraudulent Claims to enforce the provisions of Section 556.~~

There shall be a Bureau of Fraudulent Claims which shall fall under the authority and supervision of the Commissioner of Insurance.

12991. *Investigation of Fraudulent Claims.*

(a) If by its own inquiries or as a result of complaints, the Bureau of Fraudulent Claims has reason to believe that a person has engaged in, or is engaging in, an act or practice ~~that violates Section 556~~ *that violates any criminal statute of this state relating to the presentation or preparation of fraudulent insurance claims*, the ~~commissioner~~ *Commissioner* in his or her discretion (1) may make such public or private investigations within or outside of this state as he or she deems necessary to determine whether any person has violated or is about to violate any provision of ~~Section 556, or to such criminal statute or to otherwise~~ aid in the enforcement of this law, and (2) may publish information concerning any violation of this law.

(b) For purposes of any investigation under this law, the ~~commissioner~~ *Commissioner* or any officer designated by him or her may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, agreements, or other documents or records which the ~~commissioner~~ *Commissioner* deems relevant or material to the inquiry; ~~as provided by the provisions of Section 12021.~~

(c) If matter that the ~~commissioner~~ *Commissioner* seeks to obtain by request is located outside the state, the person so requested may make it available to the ~~commissioner~~ *Commissioner* or his or her representative to be examined at the place where it is located. The ~~commissioner~~ *Commissioner* may designate

representatives including officials of the state in which ~~the~~ *a* matter is located, to inspect the matter on his *or her* behalf, and he *or she* may respond to similar requests from officials of other states.

(d) Except as provided in subdivision (e), the department's papers, documents, reports or evidence relative to the subject of an investigation under this ~~section~~ *Section* shall not be subject to public inspection for so long a period as the ~~commissioner~~ *Commissioner* deems reasonably necessary to complete the investigation, to protect the person investigated from unwarranted injury, or to serve the public interest. Furthermore, such papers, documents, reports or evidence shall not be subject to subpoena or subpoena duces tecum until opened for public inspection by the ~~commissioner~~ *Commissioner*, unless the ~~commissioner~~ *Commissioner* otherwise consents or, after notice to the ~~commissioner~~ *Commissioner* and a hearing, the superior court determines that the public interest in any ~~ongoing~~ *on-going* investigation by the ~~commissioner~~ *Commissioner* would not be unnecessarily jeopardized by obedience of such ~~a~~ subpoena or *a* subpoena duces tecum.

(e) The Bureau of Fraudulent Claims shall furnish all papers, documents, reports, complaints, or other facts or evidence to any police, sheriff or other law enforcement agency, when so requested, and will assist and cooperate with such law enforcement agencies.

12992. *Reporting of Fraudulent Claims.*

(a) Any company licensed to write insurance in this state which believes that a fraudulent claim is being made shall, within 60 days after determination by the insurer that the claim appears to be a fraudulent claim, send to the Bureau of Fraudulent Claims, on a form prescribed by the department, the information requested by the form ~~and~~ *in* such additional information relative to the factual circumstances of the claim and the parties claiming loss or damages as the ~~commissioner~~ *Commissioner* may require. The Bureau of Fraudulent Claims shall review each report and undertake such further investigation as it deems necessary and proper to determine the validity of the allegations. Whenever the ~~commissioner~~ *Commissioner* is satisfied that fraud, deceit, or intentional misrepresentation of any kind has been committed in the submission of the claim, he *or she* shall report any such violations of law to the insurer, to the appropriate licensing agency and *to* the district attorney of the county in which such offenses were committed; ~~as provided by the provisions of Sections 12928 and 12930~~. If the ~~commissioner~~ *Commissioner* is satisfied that fraud, deceit, or intentional misrepresentation has not been committed, he *or she* shall report such determination to the insurer. If prosecution by the district attorney concerned is not begun within 60 days of the receipt of the ~~commissioner's~~ *Commissioner's* report, the district attorney shall inform the ~~commissioner~~ *Commissioner* and the insurer as to the reasons for the lack of prosecution regarding the reported violations.

(b) This ~~section~~ *Section* shall not require an insurer to submit to the bureau the information specified in subdivision (a) in either of the following:

(1) The insurer's initial investigation indicated a potentially fraudulent claim but which further investigation revealed not to be fraudulent.

(2) The insurer and the claimant have reached *an* agreement as to the amount of the claim and the insurer does not have reasonable grounds to believe the claim to be fraudulent.

(c) Nothing contained in this ~~article~~ *Article* shall relieve an insurer of its existing obligations to also report suspected violations of law to appropriate local law enforcement agencies.

(d) Any police, sheriff or other law enforcement agency shall furnish all papers, documents, reports, complaints, or other facts or evidence to the Bureau of Fraudulent Claims, when so requested, and shall otherwise assist and cooperate with the bureau.

12993. Immunity from Liability for Reporting.

No insurer, or the employees or agents of any insurer, shall be subject to civil liability for libel, slander or any other relevant tort cause of action by virtue of the filing of reports, without malice, or furnishing other information, without malice, required by this ~~article~~ *Article* or required by the ~~commissioner~~ *Commissioner* under the authority granted in this ~~article~~ *Article*.

12994. Prosecution of Fraudulent Claims.

Nothing contained in this ~~article~~ *Article* shall preempt the authority of local law enforcement agencies to investigate and prosecute suspected violations of law nor shall it relieve them of their duty to do so. *However, if the district attorney informs the Commissioner, pursuant to Section 12992 that he or she chooses not to prosecute a violation reported to him or her by the Commissioner, then the Commissioner may direct the Bureau of Fraudulent Claims to prosecute such violation.*

12995. Funding of Bureau.

The costs of administration and operation of the Bureau of Fraudulent Claims shall be borne by all of the insurers admitted to transact insurance in this state. The ~~commissioner~~ *Commissioner* shall divide such costs among all such companies, assessing each such company an identical amount adequate to provide the ~~total cost for~~ *total cost for* of each fiscal year of the operation of the ~~bureau~~ *Bureau*; provided, however, the assessment for each company shall not exceed one thousand dollars (\$1,000) in each fiscal year. All moneys received by the ~~commissioner from insurers~~ *Commissioner* pursuant to this ~~section~~ *Section* shall be transmitted to the State Treasurer to be deposited in the State Treasury to the credit of the Insurance Commissioner's Regulatory Trust Fund, *which shall be created for this purpose. All moneys which are deposited in the such fund after receipt by received from the commissioner from insurers pursuant to this section are hereby appropriated to the department and are to be exclusively used for the support of the Bureau of Fraudulent Claims. To the extent the assessments against insurers made pursuant to this section are not sufficient to fund the entire operations of the bureau, other money appropriated to the department, if available, may be used, in the commissioner's discretion, to fund those operations not covered by the assessments.* The total budget of the ~~bureau~~ *Bureau* shall be as determined annually in the Budget Act, *which may make additional appropriations to the Bureau if the maximum assessment permitted by law has already been levied on insurers.*

SECTION 8. Section 12924.5 is added to the Insurance Code as follows:

12924.5. Consumers' rights to present evidence.

(a) *In any proceeding before the commissioner, any person or organization may present written or oral evidence, subject to such rules and regulations that may be established by the commissioner, provided that nothing herein shall create a right of any person or organization to intervene in any proceeding.*

(b) *Any person or organization, whether a party, intervenor, witness or other participant in any proceeding before the commissioner, shall bear its own costs and attorney's fees. No state funds or award against any other person or organization shall be used to reimburse the costs or attorney's fees incurred by any party or participant in any such proceeding.*

SECTION 9. Sections 790.03.1 and 790.03.2 of the Insurance Code are added as follows:

790.03.1. Procedures to Resolve Claims under Policies of Liability Insurance.

(a) Any claimant who has submitted a claim to any insurer under any policy of liability insurance may, at any time after submitting the claim, serve upon the insurer a Demand to Resolve Claim.

(b) A Demand to Resolve Claim shall be in writing, shall state that it is a Demand to Resolve Claim under Insurance Code Section 790.03.1, and shall set forth a specific dollar amount within policy limits which the claimant offers to accept in full settlement of the claim of the claimant against the person or persons insured under the policy of liability insurance.

(c) If the insurer, within thirty days of receipt of a Demand to Resolve Claim, tenders the amount specified therein to the claimant, the claimant shall have no right to maintain a private civil action for violation of Section 790.03(h) with respect to the claim.

(d) If the insurer, within thirty days of receipt of a Demand to Resolve Claim, reaches a written agreement with the claimant in settlement of the claim, the claimant shall have no right to maintain a private civil action for violation of Section 790.03(h) with respect to the claim.

(e) If the insurer, within thirty days of receipt of a Demand to Resolve Claim, offers in writing to submit the claim to binding arbitration under Section 790.03.2, the claimant shall have no right to maintain a private civil action for violation of Section 790.03(h) with respect to the claim. This subdivision shall apply whether or not the claimant accepts the offer to submit the claim to binding arbitration.

(f) The time limits set forth in subdivisions (c), (d) and (e) of this Section shall be increased to ninety days if the Demand to Resolve Claim is served prior to sixty days after the date the claim was first submitted to the insurer.

(g) No claimant may maintain a private civil action for violation of Section 790.03(h) which relates in any way to any claim made under any policy of liability insurance unless that claimant has, at least ninety days prior to the commencement of the action, served upon the insurer a Demand to Resolve Claim. Unless there is a dispute as to whether an insurer received a Demand to Resolve Claim or a dispute as to whether an insurer offered to submit the claim to binding arbitration, the fact that an insurer received a Demand to Resolve Claim and the manner in which an insurer responded to any Demand to Resolve Claim shall not be admissible in evidence in any private civil action to prove a violation of Section 790.03(h).

(h) Nothing in this Section shall be deemed to expand or limit in any way the right of any person to maintain a private civil action for violation of Section 790.03(h) with respect to any first-party claim made under any policy which provides insurance to that person.

790.03.2. Procedures for Binding Arbitration of Claims Under Policies of Liability Insurance.

(a) An insurer who receives a Demand to Resolve Claim from a claimant under any policy of liability insurance may, within the time allowed by Section 790.03.1, serve on the claimant an offer to submit the claim to binding arbitration under this Section.

(b) The claimant shall, within thirty days after receipt of such offer to submit the claim to binding arbitration, serve on the insurer a notice either accepting or rejecting the offer to submit the claim to binding arbitration. Failure by the claimant to respond within the time specified shall be deemed to constitute a

rejection of the offer to submit the claim to binding arbitration.

(c) No later than twenty calendar days after the date of service of a notice accepting an offer to submit a claim to binding arbitration, each party shall select a referee and shall serve upon the other party a notice designating the name, address and telephone number of said referee.

(d) Within thirty days after the service of the last notice designating a referee, the referees so designated shall meet and confer, in person or by telephone, and agree upon the appointment of a neutral arbitrator. If they fail to agree upon the appointment of a neutral arbitrator within the time specified, any party may petition a superior court to designate an odd-numbered list of neutral arbitrators. The parties shall then either agree on a neutral arbitrator or shall select a neutral arbitrator from the list by the claimant first striking a name, the insurer then striking a name, and proceeding to strike names alternately until only one name remains. That person shall be the neutral arbitrator. The referees shall not participate in the arbitration proceeding after selection of the neutral arbitrator except to select another neutral arbitrator in the event the arbitrator selected cannot serve for any reason.

(e) The neutral arbitrator so selected shall proceed to arbitrate the claim. Unless the parties agree in writing otherwise, the neutral arbitrator shall be informed of the applicable policy limits but shall not be informed of settlement offers and demands, including the amount set forth in the Demand to Resolve Claim, until the initial award. The arbitration hearing shall commence within ninety days of the selection of the neutral arbitrator and the taking of evidence shall be concluded no later than thirty calendar days after the date of commencement, regardless of the number of actual hearing days held

(f) When an insurer makes an offer to arbitrate under Section 790.03.2(a) and the offer is accepted by the claimant, the insurer shall be deemed to have waived the right to assert a lack of coverage in the arbitration and as a basis for not paying any part or all of the final arbitration award. Nothing in this subdivision shall be deemed to impair or prejudice an insurer's right to seek a determination in any court of competent jurisdiction of its coverage obligations relative to its insured.

(g) The arbitration proceeding, including any discovery pertaining thereto, shall be conducted in accordance with and be governed by Sections 1280 to 1288.2 of the Code of Civil Procedure except as specified in this Section.

(h) Upon request of either side, a record shall be made of the arbitration hearing.

(i) The neutral arbitrator shall issue an initial award in writing within thirty days after the conclusion of the taking of evidence. The amount of the initial award (exclusive of costs, expert witness fees and attorney's fees) shall not exceed the limit of the policy of insurance applicable to the claim.

(j) The neutral arbitrator shall retain jurisdiction for thirty days after the issuance of the initial award to receive and determine a request for an award of attorney's fees and expert witness fees.

(k) Within ten days after the issuance of an initial award, the claimant may submit to the neutral arbitrator and serve on the insurer a request for an award of attorney's fees and expert witness fees. The insurer shall have ten days to submit to the neutral arbitrator and serve on the claimant its response to the request for attorney's fees and expert witness fees. The claimant shall be entitled to an award of reasonable attorney's fees and reasonable expert witness fees incurred after service of the Demand to Resolve Claim but before the commencement of the arbitration hearing only if the amount of the initial award exceeds

the highest amount offered by the insurer to the claimant at any time prior to the selection of the neutral arbitrator. The claimant shall be entitled to an award of reasonable attorney's fees and reasonable expert witness fees incurred after the commencement of the arbitration hearing only if the amount of the initial award exceeds the highest amount offered by the insurer to the claimant at any time prior to the commencement of the arbitration hearing. In no case shall the combined amount of attorney's fees and expert witness fees awarded exceed the amount of the initial award.

(l) Within thirty days after the issuance of the initial award, the neutral arbitrator shall enter a final award, including any amount awarded for attorney's fees and expert witness fees.

(m) The expenses and fees of the neutral arbitrator, together with other expenses incurred or approved by the neutral arbitrator, not including attorney's fees or expert witness fees, shall be paid in all cases by the insurer. The claimant's referee's fees shall not exceed \$250.

(n) Payment by an insurer of any arbitration award issued hereunder, or of a judgment confirming any such award, shall discharge any and all liability to the claimant of the person or persons insured under the policy of insurance under which the claim was made.

(o) The parties may agree in writing on any alternative arbitration procedure allowable by law including, without limitation, different time requirements, conducting the proceeding before more than one neutral arbitrator, different provisions regarding costs and attorney's fees, or different procedures for selection of a neutral arbitrator or arbitrators.

SECTION 10. Sections 679.70, 679.71 and 790.03(f) of the Insurance Code are reenacted as follows:

679.70. Application of chapter; certain property and liability insurance; exceptions.

This chapter shall apply to policies of insurance, other than automobile insurance and workmen's compensation insurance, on risks located or resident in this state which are issued and take effect or which are renewed after the effective date of this chapter and which insure any of the following contingencies:

(a) Loss of or damage to real property which is used predominantly for residential purposes.

(b) Loss of or damage to personal property in which natural persons resident in specifically described real property of the kind described in subdivision (a) have an insurable interest.

(c) Legal liability of a natural person or persons for loss of, damage to, or injury to, persons or property.

679.71. Failure or refusal to accept application for, issue or cancel insurance based on marital status, sex, race, color, religion, national origin or ancestry.

No admitted insurer, licensed to issue any policy of insurance covered by this chapter, shall fail or refuse to accept an application for, or to issue a policy to an applicant for, such insurance (unless such insurance is to be issued to the applicant by another insurer under the same management and control), or cancel such insurance, under conditions less favorable to the insured than in other comparable cases, except for reasons applicable alike to persons of every marital status, sex, race, color, religion, national origin, or ancestry; nor shall sex, race, color, religion, national origin, or ancestry of itself constitute a condition or risk for which a higher rate, premium, or charge may be required of the insured for such insurance.

790.03. Prohibited acts.

The following are hereby defined as unfair methods of competition and unfair and deceptive acts or practices in the business of insurance.

...
 (f) Making or permitting any unfair discrimination between individuals of the same class and equal expectation of life in the rates charged for any contract of life insurance or of life annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract.

This subdivision shall be interpreted, for any contract of ordinary life insurance or individual life annuity applied for and issued on or after January 1, 1981, to require differentials based upon the sex of the individual insured or annuitant in the rates or dividends or benefits, or any combination thereof. This requirement is satisfied if such differentials are substantially supported by valid pertinent data segregated by sex, including, but not necessarily limited to, mortality data segregated by sex.

However, for any contract of ordinary life insurance or individual life annuity applied for and issued on or after January 1, 1981, but before the compliance date, in lieu of such differentials based on data segregated by sex, rates or dividends or benefits, or any combination thereof, for ordinary life insurance or individual life annuity on a female life may be calculated as follows: (a) according to an age not less than three years nor more than six years younger than the actual age of the female insured or female annuitant, in the case of a contract of ordinary life insurance with a face value greater than five thousand dollars (\$5,000) or a contract of individual life annuity; and (b) according to an age not more than six years younger than the actual age of the female insured, in the case of a contract of ordinary life insurance with a face value of five thousand dollars (\$5,000) or less. "Compliance date" as used in this paragraph shall mean the date or dates established as the operative date or dates by future amendments to this code directing and authorizing life insurers to use a mortality table containing mortality data segregated by sex for the calculation of adjusted premiums and present values for nonforfeiture benefits and valuation reserves as specified in Sections 10163.5 and 10489.2 or successor sections.

Notwithstanding the provisions of this subdivision, sex based differentials in rates or dividends or benefits, or any combination thereof, shall not be required for (1) any contract of life insurance or life annuity issued pursuant to arrangements which may be considered terms, conditions, or privileges of employment as such terms are used in Title VII of the Civil Rights Act of 1964, as amended, and (2) tax sheltered annuities for employees of public schools or of tax exempt organizations described in Section 501(c)(3) of the Internal Revenue Code.

SECTION 11. Section 40000.26 of the Vehicle Code is added as follows:

40000.26. Misdemeanors

A violation of the following provision is a misdemeanor, and not an infraction: Section 16050 (concerning a second or subsequent conviction of an offense relating to proof of financial responsibility by every driver or employer involved in an accident).

SECTION 12. Section 16050 of the Vehicle Code is amended as follows:

16050. Establishing Proof of Financial Responsibility.

(a) In order to establish proof of financial responsibility every driver or employer involved in an accident and required to report such accident by Section 16000 shall establish to the satisfaction of the department that the provisions of this article are applicable to his responsibilities arising out of the accident.

(b) A violation of this section is an infraction. A second or subsequent conviction of a violation of this section is a misdemeanor.

SECTION 13. Section 1852 of the Insurance Code is amended as follows:

1852. *Standards in making and using rates.*

The following standards shall apply to the making and use of rates pertaining to all classes of insurance to which the provisions of this chapter are applicable:

(a) *Excessive, inadequate, or unfairly discriminatory rates.* Rates shall not be excessive or inadequate, as herein defined, nor shall they be unfairly discriminatory.

No rate shall be held to be excessive unless (1) such rate is unreasonably high for the insurance provided and (2) a reasonable degree of competition does not exist in the area with respect to the classification to which such rate is applicable.

No rate shall be held to be inadequate unless (1) such rate is unreasonably low for the insurance provided and (2) the continued use of such rate endangers the solvency of the insurer using the same, or unless (3) such rate is unreasonably low for the insurance provided and the use of such rate by the insurer using same has, or if continued will have, the effect of destroying competition or creating a monopoly.

(b) *Loss experience.* Consideration shall be given, to the extent applicable, to past and prospective loss experience within and outside this State, to conflagration and catastrophe hazards, to a reasonable margin for underwriting profit and contingencies, to past and prospective expenses both ~~countrywide~~ *countrywide* and those specially applicable to this State, and to all other factors, including judgment factors, deemed relevant within and outside this State; and in the case of fire insurance rates, consideration may be given to the experience of the fire insurance business during the most recent five-year period for which such experience is available.

Consideration may also be given in the making and use of rates to dividends, savings or unabsorbed premium deposits allowed or returned by insurers to their policyholders, members or subscribers.

(c) *Expense provisions.* The systems of expense provisions included in the rates for use by any insurer or group of insurers may differ from those of other insurers or groups of insurers to reflect the operating methods of any such insurer or group with respect to any kind of insurance, or with respect to any subdivision or combination thereof.

(d) *Risk classification.* Risks may be grouped by classifications for the establishment of rates and minimum premiums. Classification rates may be modified to produce rates for individual risks in accordance with rating plans which establish standards for measuring variations in hazards or expense provisions, or both. Such standards may measure any difference among risks that have a probable effect upon losses or expenses. Classifications or modifications of classifications of risks may be established based upon size, expense, management, individual experience, location or dispersion of hazard, or any other reasonable considerations. Such classifications and modifications shall apply to all risks under the same or substantially the same circumstances or conditions.

(e) *Enforcement.* *The commissioner shall have exclusive jurisdiction to enforce this section, subject to judicial review.*

SECTION 14. Section 1850.01 is added to the Insurance Code as follows:

1850.01. *Rates to be established by competition.*

(a) *No public official shall have or be granted the power to establish, fix, determine, set or require approval prior to effectiveness of any rate level for insurance (other than workers' compensation insurance or insurance issued*

pursuant to an assigned risk plan or other residual market mechanism).

SECTION 15. Section 10140 of the Insurance Code is reenacted as follows:

10140. *Practices based on race, color, etc. proscribed.*

No admitted insurer, licensed to issue life or disability insurance, shall fail or refuse to accept an application for such insurance, to issue such insurance to an applicant therefor, or issue or cancel such insurance, under conditions less favorable to the insured than in other comparable cases, except for reasons applicable alike to persons of every race, color, religion, national origin, or ancestry; nor shall race, color, religion, national origin, or ancestry of itself constitute a condition or risk for which a higher rate, premium, or charge may be required of the insured for such insurance.

SECTION 16. Section 11628 of the Insurance Code is reenacted as follows:

11628. *Rosenthal-Robbins Auto Insurance Nondiscrimination Law.*

(a) No admitted insurer, licensed to issue and issuing motor vehicle liability policies as defined in Section 16450 of the Vehicle Code, shall fail or refuse to accept an application for such insurance, to issue such insurance to an applicant therefor, or issue or cancel such insurance under conditions less favorable to the insured than in other comparable cases, except for reasons applicable alike to persons of every race, language, color, religion, national origin, ancestry, or the same geographic area; nor shall race, language, color, religion, national origin, ancestry, or location within a geographic area of itself constitute a condition or risk for which a higher rate, premium, or charge may be required of the insured for such insurance.

As used in this section "geographic area" means a portion of this state of not less than 20 square miles defined by description in the rating manual of an insurer or in the rating manual of a rating bureau of which the insurer is a member or subscriber. In order that geographic areas used for rating purposes may reflect homogeneity of loss experience, a record of loss experience for such geographic area shall include the breakdown of actual loss experience statistics by zip code area (as designated by the United States Postal Service) within each geographic area for family owned private passenger motor vehicles and light-weight commercial motor vehicles, under 1½-ton load capacity, used for local service or retail delivery, normally within a 50-mile radius of garaging, and which are not part of a fleet of five or more motor vehicles under one ownership. A record of loss experience for such geographic area, including such statistical data by zip code area, shall be submitted annually to the commissioner for examination by each insurer. An insurer may satisfy its obligation to report statistical data under this subparagraph by providing its loss experience data to a rating or advisory organization for submission to the commissioner. This data shall be made available to the public by the commissioner annually after examination; however, it shall be released in aggregate form by zip code in order that no individual insurer's loss experience for any specific geographic area be revealed. Differentiation in rates between geographical areas shall not constitute unfair discrimination.

All information reported to the department pursuant to this subdivision shall be confidential.

As used in this section, "language" means the inability to speak, read, write, or comprehend the English language.

(b) No admitted insurer, licensed to issue and issuing motor vehicle liability insurance policies as defined in Section 16450 of the Vehicle Code, shall fail or refuse to accept an application for such insurance, refuse to issue such insurance to an applicant therefor, or cancel such insurance solely for the reason that the

applicant for such insurance or any insured is employed in a specific occupation.

Nothing in this section shall prohibit an insurer from:

(1) Considering the occupation of the applicant or insured as a condition or risk for which a higher rate or discounted rate may be required or offered for coverage in the course and scope of his or her occupation.

(2) Charging a deviated rate to any classification of risks involving a specific occupation, or grouping thereof, if the rate meets the requirements of Chapter 9 (commencing with Section 1850) of Part 2 of Division 1 and is based upon actuarial data which demonstrates a significant actual historical differential between past losses or expenses attributable to the specific occupation, or grouping thereof, and the past losses or expenses attributable to other classification of risks. For purposes of compiling such actuarial data for a specific occupation or grouping thereof, a person shall be deemed employed in the occupation in which that data is compiled if: (A) the majority of his or her employment during the previous year was in the occupation, or (B) the majority of his or her aggregate earnings for the immediate preceding three-year period were derived from the occupation, or (C) the person is a member in good standing of a union which is an authorized collective bargaining agent for persons engaged in the occupation.

Nothing in this section shall be construed to include in the definition of "occupation" active duty service in the Armed Forces of the United States, any status or activity which does not result in remuneration for work done or services performed, or self-employment in a business operated out of an applicant's or insured's place of residence or persons engaged in the renting, leasing, selling, repossessing, rebuilding, wrecking or salvaging of motor vehicles.

(c) Nothing in this section shall limit or restrict the ability of an insurer to refuse to accept an application for or refuse to issue or cancel such insurance for the reason that it is a commercial vehicle or based upon the consideration of a vehicle's size, weight, design or intended use.

(d) It is the intent of the Legislature that actuarial data by occupation may be examined for credibility by the commissioner on the same basis as any other automobile insurance data which he or she is empowered to examine.

(e) The provisions of this section shall be known and may be cited as the "Rosenthal-Robbins Auto Insurance Nondiscrimination Law."

SECTION 17. Section 1853.10 of the Insurance Code is added as follows:

1853.10. Prohibition of anti-competitive behavior.

(a) Consistent with the provisions of the Insurance Code, generally, and of this Chapter 9, specifically:

(1) No insurer shall monopolize or attempt to monopolize, or combine or conspire with any other insurer or with a rating or advisory organization to monopolize, in any territory, any class of insurance as defined in Sections 100 through 121 of Chapter 1 of Part 1 of Division 1 of the Insurance Code.

(2) No insurer shall agree with any other insurer or with a rating or advisory organization to adhere to any rate.

(3) No insurer shall make any agreement with any other insurer or rating or advisory organization to refuse to provide any class of insurance as defined in Sections 100 through 121 of Chapter 1 of Part 1 of Division 1 of the Insurance Code.

(4) No insurer or rating or advisory organization shall enter into an agreement to commit any act of boycott, coercion or intimidation.

(5) No insurer shall enter into an agreement with any other insurer or rating or advisory organization to withhold any class of insurance as defined in Sections

100 through 121 of Chapter 1 of Part 1 of Division 1 of the Insurance Code.

(6) No rating or advisory organization shall preclude any insurer from making its rates independently of such rating organization or charging rates different from the rates made by the rating organization.

(b) (1) Any rate made or action taken in violation of subdivision (a) may be disapproved by the commissioner pursuant to the applicable procedures prescribed in Section 1857.2. Nothing in this section shall be construed to apply to or prohibit any rate made or such other actions as may be authorized or permitted under this Code in general or this Chapter 9 in particular. Without limiting the generality of the preceding sentence, the prohibitions of Section 1853.10 shall not be construed to apply to or prohibit joint activity by or among: (i) two or more insurers having a common ownership or control or operating in this State under common ownership or control; (ii) joint underwriting, joint reinsurance, or pooling arrangements authorized or permitted by the Insurance Code or the commissioner including, but not limited to, those established to provide property insurance; automobile insurance on an assigned risk basis; child care liability insurance or such similar arrangements as may now or hereafter be established; (iii) joint underwriting, joint reinsurance, or pooling arrangements pertaining to the availability of insurance or the ability of an insured or insureds to obtain desired coverages, amounts of insurance or limits of liability; (iv) insurers with respect to the apportionment of casualty insurance as authorized by Section 1853.8 of this Chapter; or (v) insurers and rating or advisory organizations exchanging, analyzing, or otherwise developing, information and experience data as provided in this Chapter 9 of the Insurance Code.

(2) As the exclusive methods for enforcing this Section, the Commissioner may initiate action under Section 1857.2 or a person injured in his business or property by reason of anything forbidden in subdivision (a) of this Section may file a complaint and request a hearing with the Commissioner in accordance with the procedures prescribed in Section 1858.

SECTION 18. Section 12901.6 of the Insurance Code is added as follows:

12901.6. *Prohibition of conflicts of interest.*

Neither the commissioner nor any deputy or employee of the department shall, within one year after his or her tenure in office or termination of employment, represent, or counsel, advise or assist in representing, any insurer or licensee before the department in connection with any particular matter involving specific parties (i) that was actually pending under his or her official responsibility within a period of one year prior to the termination of such responsibility or (ii) in which he or she participated personally or substantially as an officer or employee.

SECTION 19. Section 12921.6 of the Insurance Code is added as follows:

12921.6. *Administrative interpretations.*

For the guidance of insurers and others obligated to comply with this code and other laws regulating the business of insurance in this State, the commissioner may issue written administrative interpretations of any provision of this code or any other law regulating the business of insurance in this State. No person shall be liable for any action taken in good faith conformity with and in reliance on any such administrative interpretation. An insurer whose policy has been written and the premium determined in good faith conformity with and in reliance on any such administrative interpretation shall not be liable to provide different coverage during the term of such policy even if the administrative interpretation

relied upon shall be determined to be incorrect. Any person aggrieved by any such administrative interpretation may obtain judicial review thereof in such manner as may be provided by law.

SECTION 20. Section 1643 of the Insurance Code is amended as follows:

1643. *Bank, holding company, subsidiary, affiliate and officers and employees; prohibition against licensing; exception.*

(a) No bank, or bank holding company, subsidiary, or affiliate thereof, or any officer or employee of a bank, bank holding company, subsidiary, or affiliate, may be licensed as an insurance agent or broker or act as an agent or broker for insurance, in this state, or control a licensed insurance agent or broker, except that a bank or a bank holding company subsidiary, or affiliate of a bank, may be issued a license to act as a life and disability agent limited to the transaction of credit life and disability insurance, or an agent limited to the transaction of insurance which is limited solely to assuring repayment of the outstanding balance due on a specific extension of credit by a bank or bank holding company or its subsidiary in the event of the involuntary unemployment of the debtor, or both. A commercial bank may be licensed to sell insurance or act as an insurance broker as provided in Section 1208 of the Financial Code. This section shall not apply to any bank or bank holding company which, under the authorization of the Federal Reserve Board, had prior to January 1, 1976, a subsidiary or affiliate licensed to sell insurance (except that subsequent authorization to expand such activities shall be subject to this section), or to any bank holding company owning a state-chartered bank which had, prior to January 1, 1976, a subsidiary or affiliate licensed to sell insurance. This section shall not apply to any person authorized or licensed to make loans pursuant to Division 7 (commencing with Section 18000), Division 9 (commencing with Section 22000), Division 10 (commencing with Section 24000), or Division 11 (commencing with Section 26000) of the Financial Code.

(b) For the purposes of this section, the following definitions shall apply:

~~(a)~~ (1) "Bank" means any institution in this state defined in Section 102 of the Financial Code except that such term does not include a title insurance company authorized to transact a trust business under the provisions of Article 4 (commencing with Section 12390) of Chapter 1 of Part 6 of Division 2 or a trust company controlled by or under common control with a title insurance company.

~~(b)~~ (2) "Bank holding company" means the same as the definition of that term set forth in Section 2 of the federal Bank Holding Company Act of 1956, as amended, but limited to holding companies which control a bank authorized to accept deposits in this state.

~~(c)~~ (3) "Subsidiary" means any corporation, association, or partnership, owned in whole or part by a bank or bank holding company.

~~(d)~~ (4) "Affiliate" means any corporation, association, or partnership connected through the ownership of a 10-percent or greater interest by a common parent.

~~(e)~~ (5) "Credit life, health, and accident insurance" means insurance on the life and health of a borrower from a bank issued to secure the repayment of the amount borrowed.

~~(f)~~ (6) "Control" means the possession, by any means, of the power to direct or cause the direction of the management or activities of a licensed insurance agent or broker.

(c) *The provisions of this section may be amended by the Legislature by Statute.*

SECTION 21. Section 750 of the Insurance Code is reenacted as follows:

750. *Rebate of premium.*

An insurer, insurance agent, broker, or solicitor, personally or by any other party, shall not offer or pay, directly or indirectly, as an inducement to insurance on any subject-matter in this State, any rebate of the whole or part of the premium payable on an insurance contract, or of the agent's or broker's commission thereon, and such rebate is an unlawful rebate.

SECTION 22. Section 750.1 of the Insurance Code is amended as follows:

750.1. *Unlawful rebates, profits and commissions; legislative findings, declarations and intent.*

The ~~Legislature~~ *people* hereby ~~finds find~~ and ~~declares declare~~ that the continued regulation of the business practices of insurers and their producers is in the interest of the citizens of the state and that the control and limitations of unlawful rebates, profits, and commissions is an essential component of that regulation which is necessary to effectuate an adequate and complete system and regulation of insurer and producer business practices.

The ~~Legislature~~ *people* ~~finds find~~ that the statutes controlling unlawful rebates, profits, and commissions continue to provide critical protection to insureds in this state from the numerous consequences that would occur in the absence of such regulation, including company insolvencies, unfair discrimination between insureds with identical risks creating subsidies from small purchasers of insurance in favor of large purchasers of insurance, decreased quality of services to insurance consumers, increased concentration of insurance distribution and sales mechanisms, and misrepresentation and unethical sales practices such as improper replacement or twisting to the detriment of the public.

It is the intent of the ~~Legislature~~ *people* in ~~enacting~~ *reenacting* this section to clearly set forth the ~~legislative~~ intent supporting the enactment, continuing vitality, and importance of the unlawful rebates, profits, and commissions sections of this code.

SECTION 23. Section 751 of the Insurance Code is reenacted as follows:

751. *Specification of consideration in policy or application.*

An insurer, or an insurance agent, broker, or solicitor, personally or otherwise, shall not offer or pay, directly or indirectly, as an inducement to enter into an insurance contract, any valuable consideration which is not clearly specified, promised or provided for in the policy, or application for the insurance, and any such consideration not appearing in the policy is an unlawful rebate.

SECTION 24. Section 752 of the Insurance Code is reenacted as follows:

752. *Acceptance of rebate; misdemeanor.*

Any person named as the insured in any policy or named as the principal, or obligee, in any surety policy or the agent or representative of any such person who, directly or indirectly, knowingly accepts or receives any unlawful rebate is guilty of a misdemeanor.

SECTION 25. Section 754 of the Insurance Code is reenacted as follows:

754. *Payments to insurance brokers.*

Payments of commissions or fees by insurers or their agents to insurance brokers, when otherwise lawful under this code, are expressly authorized.

SECTION 26. Section 755 of the Insurance Code is reenacted as follows:

755. *Splitting commissions.*

The paying or allowing of any commission or other valuable consideration on insurance business in this State to other than an admitted insurer or a licensed insurance agent, broker or solicitor is an unlawful rebate.

SECTION 27. Section 755.2 of the Insurance Code is reenacted as follows:

755.2. *Receipt of continuing commissions on policy.*

If at the time of the solicitation and issuance of a policy of life or disability insurance, or of a surety bond which by its terms continues until canceled, a person may lawfully receive commissions thereon, such person, or in the event of his death, his estate or heirs may continue to receive commissions thereon during the continuance in force or renewal of such policy or bond without being licensed under the provisions of Chapter 5, Part 2, Division 1 of this code, provided:

(a) Such recipient does not transact insurance in connection with such policy or bond while not so licensed; and

(b) The payment is made pursuant to a contract entered into, before such solicitation and issuance, between the insurer paying or allowing the commission and such person.

SECTION 28. Section 755.5 of the Insurance Code is reenacted as follows:

755.5. Receipt of commissions by agents, solicitors, and insurers.

It is unlawful for an insurance agent who is not also licensed as an insurance broker to receive commissions derived from insurance placed with an insurer which has not appointed him to act as its agent in the transaction of such insurance.

It is unlawful for an insurance solicitor to receive commissions on insurance from any source other than the employer for whom he is licensed excepting on life or disability insurance transacted by him under individual licenses as life or disability agent issued to him pursuant to this code.

It is unlawful for any person to pay to an insurance agent or solicitor any commissions which he can not lawfully receive.

Except as provided in Section 763 it is unlawful for an insurer to receive for its own use commissions on insurance placed with another insurer.

SECTION 29. Section 755.6 of the Insurance Code is reenacted as follows:

755.6. Insurer participating in assigned risk plan; payment of commission for additional coverages.

Notwithstanding the provisions of Section 755.5, an insurer participating in any Assigned Risk Plan, as provided for in Article 4 (commencing with Section 11620), Chapter 1, Part 3, Division 2 of the Insurance Code, may pay to a licensed insurance agent, and such agent may receive, a commission or consideration on any automobile or liability coverages written in addition to any commission or consideration required under such plan if such agent has been designated by the applicant for insurance as producer of record for the coverages required under such plan.

SECTION 30. Section 755.7 of the Insurance Code is reenacted as follows:

755.7. Advising persons concerning insurance for consideration; allowing credit for service; misdemeanor.

Any person, including but not limited to any person licensed, certificated under this code or exempted under this code from regulation, who for consideration advises, or agrees to advise, any person concerning insurance, insurance policies, insurance needs or insurance programs of any sort and who agrees to, or does, allow credit against such consideration for such service for any portion of any insurance commission which may accrue, directly or indirectly, to such person who so advises or agrees to advise, is guilty of making an unlawful rebate and guilty of a misdemeanor.

SECTION 31. Section 756 of the Insurance Code is reenacted as follows:

756. Misrepresentation of pay roll to procure lower premium.

When the premium on a policy insuring an employer is based upon the amount or segregation of the employer's pay roll, and the employer, personally or knowingly through his employee, procures a lower premium by ~~willfully~~ *willfully*

misrepresenting the amount or segregation, such misrepresentation is an unlawful rebate as to the employer.

Liability to state; penalty. In addition to any penalty provided by law for unlawful rebates, the employer in such case is liable to the State in an amount ten times the difference between the lower premium paid and the premium properly payable. The commissioner shall collect the amount so payable and may bring a civil action in his name as commissioner to enforce collection unless the misrepresentation is made to and lower premium procured from the State Compensation Insurance Fund. In the latter case the liability to the State under this section shall be enforced in a civil action in the name of the State Compensation Insurance Fund and any amount so collected shall become a part of that fund.

SECTION 32. Section 757 of the Insurance Code is reenacted as follows:

757. *Insurer's acceptance of false pay roll statement.*

When a statement of the amount or segregation of a pay roll is materially false, and an insurer, through a person employed by it in a managerial capacity, accepts the statement as the basis for the premium on a policy, the acceptance is an unlawful rebate if the accepting employee knows of the falsity.

SECTION 33. Section 758 of the Insurance Code is reenacted as follows:

758. *Insurer's duty of diligence.*

Every insurer shall exercise reasonable diligence in securing the observance of this article by its agents.

SECTION 34. Section 759 of the Insurance Code is reenacted as follows:

759. *Appointment of agent for rebate.*

It is unlawful for any insurer to appoint an agent for the purpose of enabling such agent, or the employer or person requesting the appointment of the agent, to obtain insurance at a cost less than that specified in the policy, or at a cost less than that specified in the application therefor.

SECTION 35. Section 760 of the Insurance Code is reenacted as follows:

760. *Personal or controlled insurance.*

Definitions. As used in this section "personal or controlled insurance" means insurance covering an insurance agent, broker, or solicitor, or

- (a) His spouse, his employer or his employer's spouse.
- (b) Any person related to him or the persons mentioned in subdivision (a) within the second degree by blood or marriage.
- (c) If his employer is a corporation, any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in such corporation.
- (d) If his employer is a partnership or association, any person owning any interest in such partnership or association.
- (e) If the agent or broker is a corporation, any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in the agent or broker and any corporation which is also similarly directly or indirectly controlled by the person who directly or indirectly controls the agent or broker.
- (f) If the agent or broker is a corporation, any corporation making consolidated returns for United States income tax purposes with any corporation described in subdivision (e).

Unlawful rebate. If premiums on personal or controlled insurance transacted by an insurance agent, broker, or solicitor payable in one year exceed the premiums on other insurance transacted by such licensee payable in the same year, the receipt of commissions upon the excess is an unlawful rebate.

Provided that during and after the sixth calendar year following the initial licensing of such agent, broker, or solicitor, in any manner as an agent, broker or solicitor, whether continuously licensed or not, if premiums on personal or controlled insurance transacted by him payable in any one such calendar year exceed 33½ percent of the other premiums transacted by him payable in the same calendar year, the receipt of commissions upon the excess over such 33½ percent is an unlawful rebate. For the ~~purposes~~ *purpose* of this paragraph, if the agent or broker be an organization the sixth calendar year shall be the first calendar year beginning five years or more after the initial licensing of the organization, or any predecessor thereof, as an agent or broker.

Inapplicability to certain individual licensees. Provided further, that this section does not apply to an individual licensee who: (1) is licensed during all of such calendar year as a solicitor, or individually as an agent or broker; (2) during such calendar year conducts an individual business, not being named to transact on any organization license nor owning any interest in any corporation or partnership transacting an insurance agency or brokerage business; (3) has been continuously licensed in some manner as an active agent, broker or solicitor for at least 25 years; and (4) is at least 65 years of age at the beginning of the calendar year.

Presumptions. Whenever an officer or director of a corporation acts as agent, broker, or solicitor in the transaction of insurance covering the corporation, he shall be conclusively presumed to have received the full commission on such contract while an employee of the corporation. Whenever the remuneration for services of an employee is decreased by the employer or is made unreasonably small in amount but the employee is permitted, as an insurance agent, broker, or solicitor, to transact personal or controlled insurance, it shall be conclusively presumed that such employee receives the full amount of commission on such personal or controlled insurance.

Year defined; suspension, revocation or denial of license. "Year" as used in this section means the calendar year. Suspension, revocation or denial of license for violation of this section may be ordered at any time within five years after the close of the year in which the violation occurred.

SECTION 36. Section 760.5 of the Insurance Code is reenacted as follows:

760.5. *Personal or controlled life insurance.*

Definition. As used in this section "personal or controlled insurance" means insurance covering a life agent, or

(a) His spouse, his employer, his employer's spouse, or any group of employees under a group policy issued to his employer.

(b) Any person related to him, his spouse, his employer or his employer's spouse within the second degree by blood or marriage.

(c) If his employer is a corporation, any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in such corporation.

(d) If his employer is a partnership or association, any person owning any interest in such partnership or association.

(e) If the agent is a corporation, any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in the agent.

Unlawful rebate. If commissions on personal or controlled insurance transacted by a life agent under his license as a life agent received in one year exceed the commissions received in that year on other insurance transacted by such

licensee under his license as life agent, the receipt of commissions upon personal or controlled insurance in excess of those on such other insurance is an unlawful rebate.

Provided that during and after the sixth calendar year following the initial licensing of such life agent in any manner as a life agent, disability agent or life and disability agent, whether continuously licensed or not, if commissions on personal or controlled insurance transacted by him under any or all such licenses received in any such calendar year exceed 33 $\frac{1}{3}$ percent of the commissions received in the same calendar year on other insurance transacted by him under any or all such licenses, the receipt of commissions upon personal or controlled insurance in excess of 33 $\frac{1}{3}$ percent of those on such other insurance is an unlawful rebate. For the purposes of this paragraph, if the license be a joint firm license: The sixth calendar year as respects the firm shall be the first calendar year beginning five years or more after the initial licensing of the firm or any predecessor thereof as a joint firm licensee with any individual; the firm may be charged with a violation of this section separately based upon all joint firm licenses it may have held during the calendar year; and an individual named on one or more joint firm licenses may be charged with a violation of this section separately based upon all life licenses, individual and joint firm, he may have held during the calendar year.

Inapplicability to certain individual licensees. Provided, further, that this section does not apply to an individual licensee who: (1) is licensed during all of such calendar year under one or more kinds of individual life licenses; (2) during all of such calendar year conducts an individual business, not being named in any joint firm license nor owning any interest in a corporation or partnership transacting business under any kind of life license; (3) has been continuously licensed in some manner as an active agent under some kind of life license for at least 25 years; and (4) is at least 65 years of age at the beginning of the calendar year.

Year defined; suspension, revocation or denial of license. "Year" as used in this section means the calendar year. Suspension, revocation or denial of license for violation of this section may be ordered at any time within five years after the close of the year in which the violation occurred.

SECTION 37. Section 761 of the Insurance Code is reenacted as follows:

761. *Making or receiving unlawful rebate; misdemeanor.*

Any insurer, insurance agent, broker, solicitor, or life agent and any officer or employee of an insurer, insurance agent, broker, or life agent that makes or receives an unlawful rebate is guilty of a misdemeanor.

SECTION 38. Section 763 of the Insurance Code is reenacted as follows:

763. *Acts not unlawful rebates.*

The following acts are not unlawful rebates:

(a) *Dividends on participating policies.* The return by an insurer issuing policies on a participating plan, or any portion of the premium as a dividend after the expiration of the term covered by such policy.

(b) *Commissions.* The payment of commission by any insurer, or insurance agent, broker or solicitor, to another insurer, or insurance agent, broker or solicitor, upon insurance lawfully transacted in that capacity.

(c) *Marine discounts.* The allowance by any marine insurer, or marine insurance agent, broker, or solicitor to any insured, of such usual discount as is sanctioned by custom among marine insurers as being additional to the agent's or broker's commission.

(d) *Commissions to insured payee.* The paying by an insurer to another insurer, or to an insurance agent, broker, or solicitor, of a commission in respect to a policy under which the payee is insured, or the receiving by such payee of such commission.

(e) *Bonuses on nonparticipating life policies.* The paying by an insurer of bonuses to policyholders on nonparticipating life insurance or otherwise abating their premiums, in whole or in part, out of surplus accumulated from nonparticipating insurance.

(f) *Dividends on participating life policies.* The return as a dividend by a life insurer of any portion of the premium on policies issued on a participating plan at any time.

(g) *Adjustments for direct payment of industrial life premiums.* The return, by an insurer transacting industrial insurance on a weekly payment plan, to policyholders who have made premium payments for a period of at least one year directly to the insurer at its home or district office, of a percentage of the premium which the insurer would have paid for the weekly collection of such premiums.

(h) *Existing life policies.* The paying by any life insurer, or the receiving by life insurance policyholders of special compensations, or the allowing and receiving of credits already agreed upon in life insurance contracts now in force.

(i) *Insurer's group life plan for own employees.* The payment by an insurer of any portion of life insurance premiums payable by its employees pursuant to a life insurance program under which ~~75 per cent~~ *percent* or more of its employees are required to carry life insurance on their lives so long as they remain in the employment of insurer.

(j) *Cosureties.* The payment or allowance of a fee or commission by one surety insurer to another surety insurer in respect to a risk on which both are cosureties.

SECTION 39. Section 763.5 of the Insurance Code is reenacted as follows:

763.5. *Sale of agent's or broker's business.*

The sale of the good will, business, list of policyholders or similar assets of an agent or broker in consideration of commissions or portions thereof to be thereafter earned by the use of such assets and payments of such consideration are not unlawful rebates if the purchaser is duly licensed to transact insurance and the receipt of the commissions would not constitute a violation of Section 760 if the person receiving them were licensed as an insurance agent.

SECTION 40. Section 764 of the Insurance Code is reenacted as follows:

764. *Privilege against self-incrimination.*

Any person may be compelled to testify or produce evidence at the trial or hearing on a charge of violating a provision of this article, even though such testimony or evidence may incriminate him. A prosecution shall not be brought or maintained against such person for any act concerning which he thus testifies or produces evidence, except for perjury committed in so testifying.

SECTION 41. Section 765 of the Insurance Code is reenacted as follows:

765. *Suspension of certificate of authority.*

If an insurer knowingly violates any provisions of this article, or knowingly permits any officer, agent, or employee so to do, the commissioner, after a hearing in accordance with the procedure provided in Section 704, may suspend the insurer's certificate of authority to do the class of insurance in which the violation of this article occurred.

SECTION 42. Section 766 of the Insurance Code is reenacted as follows:

766. *Suspension or revocation of license.*

If an insurance agent, broker, or solicitor knowingly and wilfully violates any of the provisions of this article, the commissioner, after a hearing in accordance with the procedure provided in Article 13 of Chapter 5 of this part may suspend or revoke the violator's license.

SECTION 43. Section 767 of the Insurance Code is reenacted as follows:

767. *Payment of commission to agent or broker licensed in Mexico.*

Notwithstanding any provision in this article to the contrary, it shall not be unlawful for any licensed insurance broker to pay a commission to an agent or broker licensed under the laws of Mexico when such agent or broker in Mexico refers to the insurance broker licensed in this state a resident of Mexico who wishes to obtain a policy of automobile liability insurance to be effective in this state from an insurer licensed in this state, and such broker negotiates and effects such a policy of insurance for such resident of Mexico.

SECTION 44. Section 1850 of the Insurance Code is reenacted as follows:

1850. *Purpose of chapter.*

The purpose of this chapter is to promote the public welfare by regulating insurance rates as herein provided to the end that they shall not be excessive, inadequate or unfairly discriminatory, to authorize the existence and operation of qualified rating organizations and advisory organizations and require that specified rating services of such rating organizations be generally available to all admitted insurers, and to authorize cooperation between insurers in rate making and other related matters.

It is the express intent of this chapter to permit and encourage competition between insurers on a sound financial basis and nothing in this chapter is intended to give the Commissioner power to fix and determine a rate level by classification or otherwise.

SECTION 45. Section 1850.1 of the Insurance Code is reenacted as follows:

1850.1. *Rating organization defined.*

In this chapter "rating organization" means every person, other than an admitted insurer, whether located within or outside this State, who has as his object or purpose the making of rates, rating plans or rating systems. Two or more admitted insurers which act in concert for the purpose of making rates, rating plans or rating systems, and which do not operate within the specific authorizations contained in Sections 1853.5, 1853.7, 1853.8, and Article 5 shall be deemed to be a rating organization. No single insurer shall be deemed to be a rating organization.

SECTION 46. Section 1850.2 of the Insurance Code is reenacted as follows:

1850.2. *Advisory organization defined.*

In this chapter "advisory organization" means every person, other than an admitted insurer, whether located within or outside this State, who prepares policy forms or makes underwriting rules incident to but not including the making of rates, rating plans or rating systems, or which collects and furnishes to admitted insurers or rating organizations loss or expense statistics or other statistical information and data and acts in an advisory, as distinguished from a rate making, capacity. No duly authorized attorney at law acting in the usual course of his profession shall be deemed to be an advisory organization.

SECTION 47. Section 1850.3 of the Insurance Code is reenacted as follows:

1850.3. *Member and subscriber defined.*

Unless otherwise apparent from the context, in this chapter:

(a) "Member" means an insurer who participates in or is entitled to participate in the management of a rating, advisory or other organization.

(b) "Subscriber" means an insurer which is furnished at its request (1) with rates and rating manuals by a rating organization of which it is not a member, or (2) with advisory services by an advisory organization of which it is not a member.

SECTION 48. Section 1853 of the Insurance Code is reenacted as follows:

1853. *Concerted action of insurers.*

Subject to and in compliance with the provisions of this chapter authorizing insurers to be members or subscribers of rating or advisory organizations or to engage in joint underwriting or joint reinsurance, two or more insurers may act in concert with each other and with others with respect to any matters pertaining to the making of rates or rating systems, the preparation or making of insurance policy or bond forms, underwriting rules, surveys, inspections and investigations, the furnishing of loss or expense statistics or other information and data, or carrying on of research.

SECTION 49. Section 1853.5 of the Insurance Code is reenacted as follows:

1853.5. *Insurers having common ownership or management; concerted action.*

With respect to any matters pertaining to the making of rates or rating systems, the preparation or making of insurance policy or bond forms, underwriting rules, surveys, inspections and investigations, the furnishing of loss or expense statistics or other information and data, or carrying on of research, two or more admitted insurers having a common ownership or operating in this State under common management or control, are hereby authorized to act in concert between or among themselves the same as if they constituted a single insurer, and to the extent that such matters relate to co-surety bonds, two or more admitted insurers executing such bonds are hereby authorized to act in concert between or among themselves the same as if they constituted a single insurer.

SECTION 50. Section 1853.6 of the Insurance Code is reenacted as follows:

1853.6. *Agreements to adhere to rates.*

Members and subscribers of rating or advisory organizations may use the rates, rating systems, underwriting rules or policy or bond forms of such organizations, either consistently or intermittently, but, except as provided in Sections 1853.5, 1853.8, and Article 5, shall not agree with each other or rating organizations or others to adhere thereto. The fact that two or more admitted insurers, whether or not members or subscribers of a rating or advisory organization, use, either consistently or intermittently, the rates or rating systems made or adopted by a rating organization, or the underwriting rules or policy or bond forms prepared by a rating or advisory organization, shall not be sufficient in itself to support a finding that an agreement to so adhere exists, and may be used only for the purpose of supplementing or explaining direct evidence of the existence of any such agreement.

SECTION 51. Section 1853.7 of the Insurance Code is reenacted as follows:

1853.7. *Exchange of information and experience data.*

Licensed rating organizations and admitted insurers are authorized to exchange information and experience data with rating organizations and insurers in this and other states and may consult with them with respect to rate-making and the application of rating systems.

SECTION 52. Section 1854 of the Insurance Code is reenacted as follows:

1854. *Requirement of license; application; fee.*

No rating organization shall conduct its operations in this state without first filing with the commissioner a written application for and securing a license to act as a rating organization. Any rating organization may make application for and obtain a license as a rating organization if it shall meet the requirements for

license set forth in this chapter. Every such rating organization shall file with its application (a) a copy of its constitution, its articles of incorporation, agreement or association, and of its bylaws, rules and regulations governing the conduct of its business, all duly certified by the custodian of the originals thereof, (b) a list of its members and subscribers, (c) the name and address of a resident of this state upon whom notices or orders of the commissioner or process affecting such rating organization may be served, and (d) a statement of its qualifications as a rating organization.

The fee for filing an application for license as a rating organization is one hundred seventy-seven dollars (\$177) lawful money of the United States, payable in advance to the commissioner.

SECTION 53. Section 1854.1 of the Insurance Code is reenacted as follows:

1854.1. *Requisites for obtaining and retaining license.*

To obtain and retain a license, a rating organization shall provide satisfactory evidence to the commissioner that it will:

(a) Permit any admitted insurer to become a member of or a subscriber to such rating organization at a reasonable cost and without discrimination, or withdraw therefrom.

(b) Neither have nor adopt any rule or exact any agreement, the effect of which would be to require any member or subscriber as a condition to membership or subscribership, to adhere to its rates, rating plans, rating systems, underwriting rules, or policy or bond forms.

(c) Neither adopt any rule nor exact any agreement the effect of which would be to prohibit or regulate the payment of dividends, savings or unabsorbed premium deposits allowed or returned by insurers to their ~~policy holders~~ *policyholders*, members or subscribers.

(d) Neither practice nor sanction any plan or act of boycott, coercion or intimidation.

(e) Neither enter into nor sanction any contract or act by which any person is restrained from lawfully engaging in the insurance business.

(f) Notify the commissioner promptly of every change in its constitution, its articles of incorporation, agreement or association, and of its by-laws, rules and regulations governing the conduct of its business; its list of members and subscribers; and the name and address of the resident of this State designated by it upon whom notices or orders of the commissioner or process affecting such organization may be served.

(g) Comply with the provisions of Section 1857.

SECTION 54. Section 1854.2 of the Insurance Code is reenacted as follows:

1854.2. *Investigation of applicant; requirements for issuance of license; limited license; license period.*

The commissioner shall examine each application for license to act as a rating organization and the documents filed therewith and may make such further investigation of the applicant, its affairs and its proposed plan of business, as he deems desirable.

The commissioner shall issue the license applied for within 60 days of its filing with him if from such examination and investigation he is satisfied that:

(a) The business reputation of the applicant and its officers is good.

(b) The facilities of the applicant are adequate to enable it to furnish the services it proposes to furnish.

(c) The applicant and its proposed plan of operation conform to the requirements of this chapter.

Otherwise, but only after hearing upon notice, the commissioner shall in writing deny the application and notify the applicant of his decision and his reasons therefor.

The commissioner may grant an application in part only and issue a license to act as a rating organization for one or more of the classes of insurance or subdivisions thereof or class of risk or a part or combination thereof as are specified in the application if the applicant qualifies for only a portion of the classes applied for.

Licenses issued pursuant to this section shall remain in effect until revoked as provided in this chapter.

SECTION 55. Section 1854.25 of the Insurance Code is reenacted as follows:
1854.25. *Annual fee.*

Notwithstanding the provision of Section 1854.2, each rating organization possessing a license of indefinite term pursuant to such section shall owe and pay to the commissioner an annual fee of one hundred seventy-seven dollars (\$177) in lawful money of the United States in advance on account of such license until its final termination. Such fee shall be for periods commencing on July 1, 1964, and on each July 1st thereafter and ending on June 30, 1965, and each June 30th thereafter, and shall be due and payable on March 1, 1964, and on each March 1st thereafter and shall be delinquent on April 1, 1964, and each April 1st thereafter.

SECTION 56. Section 1854.3 of the Insurance Code is reenacted as follows:
1854.3. *Membership eligibility rules.*

Subject to the approval of the commissioner licensed rating organizations may make reasonable rules governing eligibility for membership.

SECTION 57. Section 1854.4 of the Insurance Code is reenacted as follows:

1854.4. *Insurers with common ownership or management; conditions of membership.*

If two or more insurers having a common ownership or operating in this State under common management are admitted for the classes or types of insurance for which a rating organization is licensed to make rates, the rating organization may require as a condition to membership or subscribership of one or more that all such insurers shall become members or subscribers.

SECTION 58. Section 1854.5 of the Insurance Code is reenacted as follows:

1854.5. *Workers' compensation insurance rating organizations; exemption from licensing or registration requirements of this chapter; authority.*

A workers' compensation insurance rating organization licensed pursuant to the provisions of Article 3 (commencing with Section 11750) of Chapter 3 of Part 3 of Division 2 which does not make rates, rating plans or rating systems for insurance covering the liability of employers for compensation or damages under the United States Longshoremen's and Harbor Workers' Compensation Act (33 U.S.C. 901, et seq.) shall not be required to be licensed as a rating organization or registered as an advisory organization pursuant to the provisions of this chapter and shall have authority under its license as a workers' compensation insurance rating organization to:

(a) Collect and tabulate loss and expense experience statistics and other information and data relating to insurance covering employers against their liability for compensation under the United States Longshoremen's and Harbor Workers' Compensation Act.

(b) Furnish or exchange such information and experience data to or with rating organizations, advisory organizations and insurers in this and other states.

(c) Adopt and enforce compliance by its insurer members with reasonable rules and statistical plans to be used in the recording and reporting by insurer

members of their California longshoremen's and harbor workers' insurance loss and expense experience in order that such experience of all of its insurer members shall be available in such form and detail as will be of aid to the commissioner in the enforcement of, and to its insurer members in complying with, the provisions of this chapter.

(d) Engage in the same activities and carry out the same functions with respect to insurance covering the liability of employers for compensation or damages under the United States Longshoremen's and Harbor Workers' Compensation Act that it is authorized to engage in or carry out with respect to California workers' compensation insurance generally under the provisions of Article 3 (commencing with Section 11750) of Chapter 3 of Part 3 of Division 2 other than the making of rates, rating plans and rating systems.

SECTION 59. Section 1857.5 of the Insurance Code is reenacted as follows:

1857.5. *Rules and statistical plans; promulgation; compilations.*

(a) The commissioner may promulgate reasonable rules and statistical plans, reasonably adapted to each of the rating systems in use within the state, which may be modified from time to time and which shall be used thereafter by each insurer in the recording and reporting of its loss and countrywide expense experience, in order that the experience of all insurers may be made available at least annually in such form and detail as may be necessary to aid him in determining whether rating systems comply with the standards set forth in this chapter. Such rules and plans may also provide for the recording and reporting of expense experience items which are specially applicable to this state and are not susceptible of determination by a prorating of countrywide expense experience. In promulgating such rules and plans, the commissioner may give due consideration to the rating systems in use and, in order that such rules and plans may be as uniform as is practicable among the several states, to the rules and to the form of the plans used for such rating systems in other states. No insurer shall be required to record or report its loss experience on a classification basis that is inconsistent with the rating system in use by it. The commissioner may designate one or more rating organizations or advisory organizations to assist him in gathering such experience and making compilations thereof, and such compilations shall be made available, subject to reasonable rules promulgated by the commissioner, to insurers and rating organizations.

(b) Reasonable rules and plans may be promulgated by the commissioner for the interchange of data necessary for the application of rating plans.

(c) In order to further uniform administration or rate regulatory laws, the commissioner and every insurer and rating organization may exchange information and experience data with insurance supervisory officials, insurers and rating organizations in other states and may consult with them with respect to ratemaking and the application of rating systems.

SECTION 60. Section 1857.7 of the Insurance Code is reenacted as follows:

1857.7. *Products liability insurers; transmission of information.*

(a) Any insurer issuing a policy of products liability insurance in this state shall transmit the following information, based on its nationwide products liability insurance writings, to the department each year in the annual report of the insurer:

- (1) Premiums written.
- (2) Premiums earned.
- (3) Unearned premiums.
- (4) The dollar amount of claims paid.
- (5) The number of outstanding claims.

(6) Net loss reserves for outstanding claims excluding claims incurred but not reported.

(7) Net loss reserves for claims incurred but not reported.

(8) Losses incurred as a percentage of premiums earned.

(9) Net investment gain or loss and other income or gain or loss allocated to products liability lines.

(10) Net income before federal and foreign income taxes.

(11) Expenses incurred including loss adjustment expense, commission and brokerage expense, other acquisition expense and general expense.

(b) The reports provided pursuant to subdivision (a) shall be available for public inspection and shall be retained on file by the department for five years.

(c) The reports required by subdivision (a) shall only contain information for the year for which the reports are being filed.

(d) Any information provided by any insurer to the department pertaining to a specific claim or a products liability insurance policy shall be classified as confidential and shall not be revealed by the department.

SECTION 61. Section 1857.9 of the Insurance Code is reenacted as follows:

1857.9. Report; contents; designating classes of insurance generally unavailable, unaffordable, or for which there have been unusually great premium increases; information on classes of insurance; excluded commercial liability insurance; filing reports; emergency regulations.

(a) Every insurer doing business in this state, except as provided by subdivision (g), shall report on a calendar year basis for each class of insurance designated in the prior calendar year by the commissioner pursuant to subdivision (b) and for each class listed in subdivision (c), both for policies issued or issued for delivery in California, and for policies issued or issued for delivery in the United States and territories:

(1) The number of policies written, the direct premiums written, the direct premiums earned, the direct losses paid, the direct losses incurred, the direct losses unpaid (not including losses incurred but not reported) the number of outstanding claims at year end and the number of claims paid in the preceding year, the allocated loss adjustment expense, and the percentage of allocated loss adjustment expense attributable to defense attorney expenses.

(2) Whether policies are written on a claim made or occurrence basis, and whether there has been a change in the preceding 12 months.

(3) For each loss reserve for each class, whether the reserve is discounted in anticipation of future investment earnings.

(4) The commissioner shall waive the requirements of paragraph (1) for any information that has been provided to the Insurance Services Office by the insurer, if the Insurance Services Office provides the information to the commissioner on or before the date on which the insurer is required to file the statement.

(b) No later than October 1 of each year the commissioner shall designate those classes of insurance, as defined by the Insurance Service Office, that are generally unavailable or unaffordable in California, or for which there have been unusually great premium increases. The factors the commissioner shall consider in making this determination shall include, but are not limited to, the following:

(1) Consumer complaints.

(2) Rate complaints.

(3) Surveillance by the department.

(4) Market conduct.

(c) In addition to the classes designated by the commissioner pursuant to subdivision (b) the insurer shall include the information required by subdivision (a) for those classes of insurance, as defined by the Insurance Services Office, covering liability insurance for municipalities, products liability insurance, liability insurance for any business or nonprofit enterprise required to carry liability insurance by state law, news publishers' liability insurance, and professional errors and omissions (malpractice) liability insurance for doctors and for lawyers. Collection of the data described in this section shall be terminated upon a joint resolution of the Legislature specifying such termination of collection. Insurers shall not be required to report under this section information required to be reported under Sections 1857.7, 1864, 11555.2, and 12958.

(d) The insurer shall also report for both California and for the United States and its territories for the calendar year:

(1) Each class of commercial liability insurance, as defined by the Insurance Services Office, that is specifically excluded from any reinsurance treaty for reinsurance ceded.

(2) Each class of commercial liability insurance, as defined by the Insurance Services Office, that is specifically excluded from any reinsurance treaty for reinsurance assumed.

(e) The department shall retain the information reported pursuant to this section for a period of no less than five years.

(f) Insurers that are members of the same insurance group may aggregate the information required by this section in a single report.

(g) The reports required by this section shall not be applicable to any insurer that has been established for less than three years.

(h) The reports required by this section shall be filed on a form provided by the commissioner no later than May 1 of the calendar year following the year for which the information is reported.

(i) The department shall adopt regulations implementing this section as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Division 3 of Title 2 of the Government Code, except that for the purposes of Chapter 3.5 (commencing with Section 11340) of Division 3 of Title 2 of the Government Code, any regulations adopted under this section shall be deemed to be necessary for the immediate preservation of the public peace, health and safety, or general welfare. These regulations shall remain in effect for 180 days. The regulations may require insurers to report the information required by subdivision (d) by categories other than those used by the Insurance Services Office.

(j) The information provided pursuant to subdivision (a) shall be confidential and not revealed by the department, except that the commissioner may publish an analysis of the data in aggregate form or in a manner which does not disclose confidential information about identified insurers or insureds.

SECTION 62. Sections 1860.1 and 1860.2 of the Insurance Code are reenacted as follows:

1860.1. *Applicability of other laws.*

No act done, action taken or agreement made pursuant to the authority conferred by this chapter shall constitute a violation of or grounds for prosecution or civil proceedings under any other law of this State heretofore or hereafter enacted which does not specifically refer to insurance.

1860.2. *Applicability of other laws.*

The administration and enforcement of this chapter shall be governed solely by the provisions of this chapter. Except as provided in this chapter, no other law

relating to insurance and no other provisions in this code heretofore or hereafter enacted shall apply to or be construed as supplementing or modifying the provisions of this chapter unless such other law or other provisions expressly so provides and specifically refers to the sections of this chapter which it intends to supplement or modify.

SECTION 63. Section 11628.3 of the Insurance Code is reenacted as follows:

11628.3. Operators over 55; driver improvement course graduates; reduction in premium.

(a) Based on the actuarial and loss experience data available to each insurer, including the driving records of mature driver improvement course graduates, as recorded by the Department of Motor Vehicles, every admitted insurer shall provide for an appropriate percentage of reduction in premium rates for motor vehicle liability insurance for principal operators who are 55 years of age or older and who produce proof of successful completion of the mature driver improvement course provided for and approved by the Department of Motor Vehicles pursuant to Section 1675 of the Vehicle Code.

(b) The insured shall enroll in and successfully complete the course described in subdivision (a) once every three years in order to continue to be eligible for an appropriate percentage of reduced premium.

(c) The percentage of premium reduction required by subdivision (a) shall be reassessed by the insurer upon renewal of the insured's policy. The insured's eligibility for any percentage of premium reduction shall be effective for a three-year period from the date of successful completion of the course described in subdivision (a), except that the insurer may discontinue the reduced premium rate if the insured is in any case:

(1) Involved in an accident for which the insured is at fault, as determined by the insurer.

(2) Convicted of a violation of Division 11 (commencing with Section 21000) of the Vehicle Code, except Chapter 9 (commencing with Section 22500) of that division, or of a traffic related offense involving alcohol or narcotics.

(d) The percentage of premium rate reduction required by subdivision (a) does not apply in the event the insured enrolls in, and successfully completes, an approved course pursuant to a court order provided for in Section 42005 of the Vehicle Code. Nothing in this subdivision precludes an insured from also enrolling in a driver improvement course.

SECTION 64. Section 11628.4 of the Insurance Code is added as follows:

11628.4. Good driver discounts.

Based on the actuarial and loss experience data available to each insurer, every admitted insurer may provide for an appropriate percentage of reduction in premium rates for motor vehicle liability insurance for good drivers who have not been involved in any accident in the last three years for which the insured was at fault, as determined by the insurer, and who have not been convicted within the last three years of a violation of Division 11 (commencing with Section 21000) of the Vehicle Code, except Chapter 9 (commencing with Section 22500) of that division, or of a traffic related offense involving alcohol or narcotics.

SECTION 65. Section 12900 of the Insurance Code is reenacted as follows:

12900. Appointment; term.

The commissioner shall be appointed by the Governor, with the consent of the Senate and shall hold office for a term of four years, coextensive with the term of office of the Governor.

SECTION 66. Severability.

Except as provided in Insurance Code Section 12020, if any provision enacted, reenacted or amended by this initiative or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect any other provisions enacted, reenacted or amended by this initiative or the application thereof which can be given effect without the invalid provision or application, and, to this end, except as provided in Insurance Code Section 12020, the provisions enacted, reenacted or amended by this initiative are deemed severable.

SECTION 67. Inconsistency with Other Initiatives.

The provisions of this initiative constitute an integrated program of insurance reform and are intended to occupy the field of insurance reform in the election in which they are adopted. If this initiative receives a higher number of votes than another initiative statute adopted at the same election as this initiative, such other initiative statute shall not have any force or effect to the extent that its provisions specifically relate to the business of insurance or the regulation of that business by this State.

SECTION 68. Amendment.

Except as provided in section 20 of this initiative, the provisions of this initiative statute shall not be amended by the legislature except by another statute passed in each house by roll call entered in the Journal, two-thirds of the membership concurring, or by another statute that becomes effective only when approved by the electorate.

Number
on ballot

106. Attorney Fees Limit for Tort Claims.

[Submitted by the initiative and rejected by electors November 8, 1988]

PROPOSED LAW

TITLE.

This shall be known as the Lawyers Fair Fee Act.

FINDINGS AND DECLARATION.

Attorneys who represent injured persons in most tort claims charge a fee based on a percentage of the amount recovered, whether by settlement or judgment. Contingency fees of up to 40% are common.

The people of California find that excessively high contingency fees deprive injured persons of too large a share of the amounts they recover on tort claims. Adequate legal representation will be available to injured persons if attorneys' fees are limited as provided herein.

LIMIT ATTORNEY FEES.

Section 6146.1 of the Business and Professions Code is added to read:

6146.1. (a) An attorney shall not contract for or collect a contingency fee in connection with a tort claim, including a claim covered by Section 6146, in excess of the following limits:

- (1) Twenty-five percent of the first fifty thousand dollars (\$50,000) recovered.
- (2) Fifteen percent of the next fifty thousand dollars (\$50,000) recovered.
- (3) Ten percent of the amount of recovery above one hundred thousand dollars (\$100,000).

The limitations shall apply regardless of whether the recovery is by settlement, arbitration, or judgment.

(b) The court, in any action filed seeking damages based on a tort claim, including a claim covered by Section 6146, may on its motion, or on the motion of a party, review the contingency fee arrangement upon notice and hearing to determine whether the fee is reasonable and fair and may order a fee less than the amount set out in subdivision (a). The fee ordered by the court shall not exceed the amount set out in subdivision (a).

(c) If periodic payments are awarded to the plaintiff pursuant to Section 667.7 of the Code of Civil Procedure, the court shall place a total value on these payments based upon the projected life expectancy of the plaintiff and include this total amount in computing the award from which attorney's fees are calculated under this section.

(d) For purposes of this section, "recovered" means the net sum recovered after deducting any disbursements or costs incurred in connection with prosecution or settlement of the claim. Costs of medical care incurred by the plaintiff and the attorney's office-overhead costs or charges are not deductible disbursements or costs for such purpose.

(e) The provisions of this section shall not be amended by the Legislature except by statute passed in each house by roll call vote entered in the journal, two-thirds of the membership concurring, or by a statute that becomes effective only when approved by the electorate.

LIST OF OFFICERS

LIST OF OFFICERS

1988

STATE CAPITOL AND OTHER BUILDINGS

Sacramento 95814

Name	Office	Residence
George Deukmejian	Governor	Sacramento
Leo McCarthy	Lieutenant Governor	San Francisco
March Fong Eu	Secretary of State	Los Angeles
Gray Davis	Controller	Los Angeles
	Treasurer...	.....
John K Van de Kamp	Attorney General	Pasadena
Bill Hong	Superintendent of Public Instruction	San Francisco
Bion M Gregory	Legislative Counsel	Sacramento

OFFICE OF GOVERNOR

Michael R Frost	.....	Chief of Staff
Terrance Flanagan	.....	Appointments Secretary
David M Caffrey	.....	Cabinet Secretary
Vance W Raye	.....	Legal Affairs Secretary
Allan S Zaremberg	.....	Legislative Secretary
Kevin M Brett	.....	Press Secretary
Susan G Pedersen	.....	Scheduling Secretary
James W Robinson	.....	Director of Public Affairs and Communications
Margaret A Bengs	.....	Assistant for Constituent Affairs
Susan H Sims	.....	Director of Writing and Research
Robert P Martinez	.....	Director of Local Government Affairs
Dr Peter G Mehas	.....	Education Advisor
John McCarthy	.....	Assistant for Community Relations
Greg Kahwan	.....	Assistant to the Governor

Offices State Capitol, Sacramento 95814

STATE BOARD OF EQUALIZATION

1020 N Street, Sacramento 95814

Name	Office	Residence
William M. Bennett	Board Member, First District	Kentfield
Conway H Colls	Board Member, Second District	Los Angeles
Ernest J Dronenburg, Jr.	Board Member, Third District	San Diego
Paul Carpenter	Board Member, Fourth District	Los Angeles
Gray Davis (Controller)	Ex Officio Member	Los Angeles
Cindy Rambo	Executive Director	Sacramento

LEGISLATIVE DEPARTMENT

UNITED STATES SENATORS

Alan Cranston (D)	Senate Office Building Washington, D.C. 20510 5757 W Century Blvd., #515, Los Angeles 90045 880 Front St., Suite 5-S-31, San Diego 92188 45 Polk St., San Francisco 94102
Pete Wilson (R)	Senate Office Building Washington, D.C. 20510 410 "B" Street, Suite 2209, San Diego 92101 1111 Santa Monica, #915, Los Angeles 90085 450 Golden Gate Ave., San Francisco 94108 1130 "O" St., #4015, Fresno 93721 840 Newport Center Drive, Suite 240, Newport Beach 92660

REPRESENTATIVES IN CONGRESS

Name	Party	District	Counties	Main District Office*
Anderson, Glenn M	D	32	Los Angeles	300 Long Beach Blvd, Long Beach 90801
Badham, Robert E	R	40	Orange	180 Newport Center Drive, Newport Beach 92660
Bates, Jim	D	44	San Diego	3450 College Ave., #231, San Diego 92115
Beilenson, Anthony C.	D	23	Los Angeles	11000 Wilshire Blvd., Suite 14223, Los Angeles 90024
Berman, Howard	D	26	Los Angeles	14600 Roscoe Blvd., Panorama City 91402
Bosco, Douglas H	D	1	Del Norte, Humboldt, Lake, Mendocino, Napa, Sonoma	777 Sonoma Ave., Suite 329, Santa Rosa 95404
Boxer, Barbara	D	6	Marin, San Francisco, Solano, Sonoma	88 Belvedere St., #D, San Rafael 94901
Brown, George E, Jr.	D	36	Riverside, San Bernardino	657 N LaCadena, Colton 92324
Coelho, Tony	D	15	Fresno, Mariposa, Merced, Stanislaus	415 W 18th St, Merced 95340
Dannemeyer, William E	R	39	Orange	1235 N. Harbor Blvd., #100, Fullerton 92632
Dellums, Ronald V	D	8	Alameda, Contra Costa	201 13th St, Rm 106, Oakland 94617
Dixon, Julian C	D	28	Los Angeles	111 N La Brea, Suite 301, Inglewood 90301
Dornan, Robert	R	38	Los Angeles, Orange	12387 Lewis St., #203, Garden Grove 92640
Dreier, David	R	33	Los Angeles	112 N 2nd Ave., Covina 91723
Dymally, Mervyn M	D	31	Los Angeles	322 W. Compton Blvd., Suite 102, Compton 90220
Edwards, Don	D	10	Alameda, Santa Clara	1042 W Hedding, Suite 100, San Jose 95126
Fazio, Vic	D	4	Sacramento, Solano, Yolo	4811 Chappendale Dr., #503, Sacramento 95841
Gallegly, Elton	R	21	Los Angeles, Ventura	21053 Devonshire Blvd., Suite 204, Chatsworth 91311
Hawkins, Augustus F	D	29	Los Angeles	4509 S Broadway, Los Angeles 90037
Herger, Wally	R	2	Butte, Colusa, Glenn, Lake, Napa, Nevada, Shasta, Siskiyou, Sutter, Tehama, Trinity, Yuba	500 Cohasset Rd., #30, Chico 95926
Hunter, Duncan	R	45	Imperial, San Diego	366 S. Pierce, El Cajon 92020
Konnyu, Ernest L	R	12	San Mateo, Santa Clara, Santa Cruz	10080 N. Wolfe Rd., Cupertino 95014
Lagomarsino, Robert J	R	19	Santa Barbara, Ventura	5740 Ralston St., #101, Ventura 93003
Lantos, Tom	D	11	San Mateo	520 S El Camino Real, #800, San Mateo 94402
Lehman, Richard	D	18	Calaveras, Fresno, Madera, Mono, San Joaquin, Tuolumne	1900 Mariposa Mall, Suite 301, Fresno 93721
Levine, Mel	D	27	Los Angeles	5250 W Century Blvd., Los Angeles 90045
Lewis, Jerry	R	35	Los Angeles, San Bernardino	1826 Orange Tree Ln., Suite 104, Redlands 92374
Lowery, Bill	R	41	San Diego	880 Front St., #6-S-15, San Diego 92188
Lungren, Dan	R	42	Los Angeles, Orange	555 E Ocean Blvd., Long Beach 90802

REPRESENTATIVES IN CONGRESS—Continued

Name	Party	District	Counties	Main District Office*
Martinez, Mathew	D	30	Los Angeles	1712 W Berkeley Blvd, #201, Montebello 90640
Matrui, Robert T.	D	3	Sacramento	630 Capitol Mall, #8088, Sacramento 95814
McCandless, Alfred A (Al)	R	37	Riverside	6529 Riverside Ave, Riverside 92506
Miller, George	D	7	Contra Costa	367 Civic Drive, #14, Pleasant Hill 94523
Mineta, Norman Y.	D	13	Santa Clara	1245 S Winchester Blvd, #310, San Jose 95128
Moorhead, Carlos J	R	22	Los Angeles	420 N Brand Blvd, #304, Glendale 91203
Packard, Ron	R	43	Orange, San Diego	2121 Palomar Airport Rd, #105, Carlsbad 92009
Panetta, Leon E.	D	16	Monterey, San Benito, San Luis Obispo, Santa Cruz	380 Alvarado, Monterey 93940
Pashayan, Charles	R	17	Fresno, Kern, Kings, Tulare	1702 E Bullard, #103, Fresno 93710
Pelosi, Nancy P	D	5	San Francisco	450 Golden Gate Ave, Suite 11104, San Francisco 94102
Roybal, Edward R	D	25	Los Angeles	300 N Los Angeles St, #7106, Los Angeles 90012
Shumway, Norman D	R	14	Alpine, Amador, El Dorado, Lassen, Modoc, Nevada, Placer, Plumas, San Joaquin, Sierra	1150 W Robinhood, #1A, Stockton 95207
Stark, Fortney (Pete)	D	9	Alameda	22300 Foothill Blvd., #1029, Hayward 94541
Thomas, Wilham	R	20	Inyo, Kern, Los Angeles, San Luis Obispo	1830 Truxton Ave, #200, Bakersfield 93301
Torres, Esteban (Ed)	D	34	Los Angeles	8819 Whittier Blvd, Suite 101, Pico Rivera 90660
Waxman, Henry A.	D	24	Los Angeles	8425 W. 3rd St., Los Angeles 90048

* During Sessions of Congress, mail for Members of the Senate may be addressed Senate Office Building, Washington, D C 20510, and Members of the House of Representatives. House Office Building, Washington, D C 20515

THE STATE LEGISLATURE

MEMBERS OF THE SENATE

Name	Occupation	Party	Dist	Counties	District Address
Alquist, Alfred E.	Full-Time Legislator ..	D	13	Santa Clara	100 Paseo de San Antonio, San Jose 95113
Ayala, Ruben S. ..	Insurance ...	D	34	Los Angeles, San Bernardino	505 N Arrowhead Ave , Suite 100, San Bernardino 92401, 2345 S Euclid Ave , Ontario 91762
Bergeson, Marian	Full-Time Legislator .	R	37	Imperial, Orange, Riverside, San Diego	140 Newport Center Dr, Suite 120, Newport Beach 92660
Beverly, Robert G ..	Attorney	R	29	Los Angeles.	1611 S Pacific Coast Highway, Suite 102, Redondo Beach 90277, 638 S Beacon St, Suite 506, San Pedro 90731
Boatwright, Daniel ..	Attorney . . .	D	7	Contra Costa	1035 Detroit Ave, Suite 200, Concord 94518, 420 W Third Street, Antioch 94509, 100 37th St, County Health Bldg , #117, Richmond 94905
Campbell, William.	Full-Time Legislator ..	R	31	Los Angeles, Orange	1661 Hanover Rd , Suite 203, City of Industry 91743, 23161 Lake Center Dr , Suite 305, El Toro 92630
Craven, Wilham A	Full-Time Legislator	R	38	San Diego	2121 Palomar Airport Rd , Suite 100, Carlsbad 92006
Davis, Ed . . .	Full-Time Legislator	R	19	Los Angeles, Santa Barbara, Ventura	11145 Tampa Ave, Suite 21B, Northridge 91326
Deddeh, Wadie P .	Full-Time Legislator	D	40	San Diego	430 Davidson St, Suite C, Chula Vista 92010
Dills, Ralph C	Full-Time Legislator	D	30	Los Angeles	16921 S Western Ave , Suite 201, Gardena 90247
Doolittle, John T	Attorney	R	1	El Dorado, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Sierra, Siskiyou, Sutter, Trinity, Yolo, Yuba	720 Sunrise Ave, Suite 110 D, Roseville 95678
Ellis, Jim . . .	Businessman	R	39	San Diego	2755 Navajo Road, El Cajon 92020
Garamendi, John ..	Rancher-Businessman .	D	5	Alpine, Amador, Calaveras, Mono, Sacramento, San Joaquin, Tuolumne, Yolo	31 East Channel St , Room 440, Stockton 95202
Green, Cecil ...	Full-Time Legislator	D	33	Los Angeles, Orange	12631 E Imperial Highway, Building A, Suite 120, Santa Fe Springs 90670
Greene, Bill .	Full-Time Legislator	D	27	Los Angeles	9300 S Broadway, Los Angeles 90003
Greene, Leroy F ...	Civil Engineer	D	6	Sacramento	P O Box 254646, Sacramento 95825
Hart, Gary . . .	Educator	D	18	Los Angeles, Santa Barbara, Ventura	1216 State St , Room 507, Santa Barbara 93101, 801 S. Victoria Blvd , Suite 301, Ventura 93006, 4881 Topanga Canyon Blvd , Suite 202, Woodland Hills 91364
Keene, Barry . .	Attorney	D	2	Del Norte, Humboldt, Mendocino, Solano, Sonoma	317 3rd St, Suite 6, Eureka 95501, 631 Tennessee St , Vallejo 94590
Kopp, Quentin L ..	Attorney At Law	I	8	San Francisco, San Mateo	363 El Camino Real, Suite 1, South San Francisco 94080
Lockyer, Bill . .	Full-Time Legislator ..	D	10	Alameda	22300 Foothill Blvd , Suite 415, Hayward 94541, 4725 Thornton Ave , Suite 104, Fremont 94536, 7475 Starward Dr , Suite 103, Dublin 94568
Maddy, Ken . . .	Attorney	R	14	Fresno, Madera, Mariposa, Merced, Monterey, San Luis Obispo, Santa Barbara	3433 West Shaw Ave , Suite 119, Fresno 93721, 19901 W 1st Street, Suite 2, Hilar 95324, 864 Osos St , No C, San Luis Obispo 93401

MEMBERS OF THE SENATE—Continued

Name	Occupation	Party	Dist.	Counties	District Address
Marks, Milton.....	Attorney	D	3	Marin, San Francisco	Room 2043, State Bldg., 350 McAllister St. San Francisco 94102, 30 N. San Pedro Rd., Suite 160, San Rafael 94903
McCorquodale, Dan..	Educator	D	12	Santa Clara, Stanislaus.....	4 North 2nd St., Suite 590, San Jose 95113, 1020 15th St., Suite B, Modesto 95354
Mello, Henry.....	Farmer/ Businessman..	D	17	Monterey, San Benito, Santa Clara, Santa Cruz	1200 Aguajito Road, Monterey 93940, 701 Ocean Street, Room 318A, Santa Cruz 95060, 240 Church Street, Room 115, Salinas 93901, 92 Fifth Street, Gilroy 95020
Montoya, Joseph B. . .	Full-Time Legislator	D	26	Los Angeles ..	11001 E. Valley Mall, Suite 204, El Monte 91731
Morgan, Rebecca Q	Full-Time Legislator	R	11	San Mateo, Santa Clara.	830 Menlo Ave., Suite 100, Menlo Park 94025
Nielsen, Jim	Farmer/Farm Management Consultant	R	4	Butte, Colusa, Glenn, Lake, Napa, Shasta, Sonoma, Tehama	1074 East Ave., Suite N, Chico 95926, 1700 Second St., Suite 315, Napa 94558; 2400 Washington Ave., Suite 120, Redding 96001, 50 Santa Rosa Ave., Suite 305, Santa Rosa 95404
Petris, Nicholas C.	Attorney	D	9	Alameda, Contra Costa	1111 Jackson St., Room 7016, Oakland 94607
Presley, Robert B	Law Enforcement	D	36	Riverside	3600 Lime St., Room 111, Riverside 92501, 72-811 Highway 111, Suite 201, Palm Desert 92260
Richardson, H. L.	Advertising	R	25	Inyo, Los Angeles, San Bernardino.....	211 S. Glendora Ave., Suite C, Glendora 91740, 1323 W. Colton Ave., Suite 209, Redlands 92373
Robbins, Alan.	Attorney at Law	D	20	Los Angeles	6150 Van Nuys Blvd., Suite 400, Van Nuys 91401
Roberti, David	Attorney	D	23	Los Angeles	3800 Barham Blvd., Suite 218, Hollywood 90068
Rogers, Don	Geological Consultant	R	16	Kern, Kings, Los Angeles, San Bernardino	1326 H St., Bakersfield 93301
Rosenthal, Herschel . . .	Full-Time Legislator	D	22	Los Angeles	1850 Sawtelle Blvd., Suite 210, Los Angeles 90025
Royce, Ed.	Businessman	R	32	Orange	1661 North Raymond Ave., No 211, Anaheim 92801
Russell, Newton R	Insurance	R	21	Los Angeles	401 N Brand, Suite 424, Glendale 91203
Seymour, John	Realtor/ Businessman	R	35	Orange	2150 Town Centre Place, Suite 205, Anaheim 92806
Torres, Art	Full-Time Legislator	D	24	Los Angeles	107 S. Broadway, Suite 2105, Los Angeles 90012
Vuich, Rose Ann	Farmer/ Accountant	D	15	Fresno, Tulare	124 West Shaw, Suite B, Fresno 93704
Watson, Diane	Educator- School Psychologist	D	28	Los Angeles	4401 Crenshaw Blvd., Suite 300, Los Angeles 90043

OFFICERS AND ATTACHÉS OF THE SENATE

Title	Name	Capitol Office
President of Senate	Leo McCarthy.	1114 State Capitol
President pro Tempore.. . . .	David Roberti	205 State Capitol
Secretary of Senate	Darryl R. White	3044 State Capitol
Sergeant at Arms	Tony Beard.	3030 State Capitol
Chaplain	Father Leo McAlister	Senate Chamber
Chief Assistant Secretary	John W. Rovane IV	3044 State Capitol
Minute Clerk.	Walter J. Little III	3044 State Capitol
History Clerk	David H. Kneale	3044 State Capitol
Assistant Secretary	Steve Hummelt	3044 State Capitol
File Clerk	Carl Bomar	3044 State Capitol
Engrossing and Enrolling Clerk	Marie Harlan	B30 State Capitol

MEMBERS OF THE ASSEMBLY

Name	Occupation	Party	Dist	Capitol Office	Counties	District Office Mailing Address
¹ Agnos, Art	Full-Time Legislator ..	D	16	3151	San Francisco . . .	1064 State Bldg, 350 McAllister St., San Francisco 94102
Allen, Doris	Small Business Owner ...	R	71	4153	Orange	5911 Cerritos Ave., Cypress 90630
Areas, Rusty	Dairy Farmer ...	D	25	5144	Merced, Monterey, San Benito, Santa Clara	140 Central, Salinas 93901
Bader, Charles W.	Businessman	R	65	3147	Los Angeles, San Bernardino	203 West C St, Ontario 91762
Baker, William	Businessman . . .	R	15	3013	Alameda, Contra Costa	1676 N California Blvd, Suite 690, Walnut Creek 94596
Bane, Tom	Full-Time Legislator ...	D	40	3152	Los Angeles	5430 Van Nuys Blvd., Van Nuys 91401
Bates, Tom	Full-Time Legislator	D	12	446	Alameda, Contra Costa	1414 Walnut St., Berkeley 94709
Bradley, Bill	Civil Engineer	R	76	4177	Riverade, San Diego	125 West Mission Ave, Suite 101, Escondido 92025
Bronzan, Bruce	Full-Time Legislator .	D	31	448	Fresno	2115 Kern Street, Suite 250, Fresno 93721
Brown, Dennis L.	Investment Banker . . .	R	58	5155	Los Angeles, Orange	1945 Palo Verde Ave, Suite 203, Long Beach 90815
Brown, Willie L., Jr.	Attorney	D	17	219	San Francisco	540 Van Ness Ave., San Francisco 94102
² Burton, John L.	Attorney	D	16	2179	San Francisco	350 McAllister St., Suite 1064, San Francisco 94102
Calderon, Charles M	Attorney	D	59	6011	Los Angeles	1712 West Beverly Blvd, Suite 202, Montebello 90640
Campbell, Robert	Insurance Broker	D	11	2163	Contra Costa	2901 MacDonald Ave., Richmond 94804
Chacon, Peter R	Educator	D	79	5119	San Diego	1129 G Street, San Diego 92101
Chandler, Chris	Attorney	R	3	5136	Butte, Colusa, Nevada, Sierra, Sutter, Yuba.	1227 Bridge St, Suite E, Yuba City 95991
Clute, Steve	Full-Time Legislator ...	D	68	4167	Riverade	82-632 Highway 111, Indio 92201
Condit, Gary A	Businessman	D	27	4009	Merced, Stanislaus .	950 10th St, Suite 8, Modesto 95354
Connelly, Lloyd G	Legislator/ Attorney	D	6	2176	Sacramento	2705 K St, Suite 6, Sacramento 95816
Cortese, Dominic L	Farmer/ Businessman	D	24	6031	Santa Clara	100 Paseo de San Antonio, Suite 300, San Jose 95113
Costa, Jim.	Full-Time Legislator . .	D	30	2111	Fresno, Kings, Madera, Merced . .	1111 Fulton Mall, Suite 914, Fresno 93721
Duphusea, William	Businessman	R	20	2130	San Mateo	666 Elm St, San Carlos 94070
Eastin, Delaine	Full-Time Legislator . .	D	18	2196	Alameda, Santa Clara	39245 Liberty St, Suite M, Fremont 94538
Eaves, Jerry	Full-Time Legislator	D	66	5175	San Bernardino	224 N Riverside Ave, Suite A, Rialto 92376
Elder, Dave	Full-Time Legislator . .	D	57	4126	Los Angeles	245 West Broadway, Suite 300, Long Beach 90802
Farr, Sam	Full-Time Legislator	D	28	3120	Monterey, Santa Cruz	1200 Aguayo Rd., Monterey 93940
Felando, Gerald N.	Dr. of Dental Surgery .	R	51	4162	Los Angeles	3838 Carson Street, Suite 110, Torrance 90503
Ferguson, Gil.	Business Owner ...	R	70	2016	Orange	4667 MacArthur Blvd., Newport Beach 92660
Filante, Bill	Physician	R	9	5135	Marin, Sonoma	30 N. San Pedro Rd, Suite 135, San Rafael 94903
Floyd, Richard E	Full-Time Legislator . .	D	53	4016	Los Angeles	16921 South Western Ave., Suite 220, Gardena 90247
Frazer, Robert C.	Businessman	R	74	3141	Orange, San Diego ..	3088 Pio Pico Dr, Suite 200, Carlsbad 92006
Friedman, Terry B.	Attorney	D	43	4139	Los Angeles	14144 Ventura Blvd, Suite 100, Sherman Oaks 91423
Frizzelle, Nolan	Optometrist	R	69	3088	Orange	17195 Newhope St., Suite 201, Fountain Valley 92708

MEMBERS OF THE ASSEMBLY—Continued

Name	Occupation	Party	Dist	Capitol Office	Counties	District Office Mailing Address
Grisham, Wayne . .	Full-Time Legislator ..	R	63	4017	Los Angeles . . .	13710 Studebaker Rd., Room 202, Norwalk 90650
Hannigan, Thomas	Realtor . . .	D	4	3104	Solano, Yolo	844 Union Ave., Suite A, Fairfield 94533
Hansen, Bev . . .	Legislator/ Business- woman	R	8	3151	Lake, Napa, Sonoma, Yolo	50 Santa Rosa Ave., Suite 205, Santa Rosa 95401
Harris, Elibu M . .	Attorney ..	D	13	6005	Alameda	1111 Jackson St., Oakland 94607
Harvey, Trice . . .	Full-Time Legislator	R	33	4015	Kern, Tulare	2222 E Street, Suite 2, Bakersfield 93301
Hauser, Dan	Full-Time Legislator .	D	2	2091	Del Norte, Humboldt, Mendocino, Sonoma	State Building, 50 D St., Suite 450, Santa Rosa 95404
Hayden, Tom	Author- Teacher	D	44	3091	Los Angeles	1337 Santa Monica Mall, Suite 313, Santa Monica 90401
Hill, Frank	Legislator/ Businessman.	R	52	4130	Los Angeles	15111 East Whittier Blvd., Suite 385, Whittier 90603
Hughes, Teresa	Educator	D	47	3111	Los Angeles	3375 So Hoover Ave., Suite F, Los Angeles 90007
Isenberg, Phillip	Attorney	D	10	2148	Contra Costa, Sacramento, San Joaquin	1215 15th St., Suite 102, Sacramento 95814
Johnson, Ross	Attorney ..	R	64	4164	Orange ..	1501 N Harbor Blvd., Suite 201, Fullerton 92635
Johnston, Pat	Full-Time Legislator	D	26	4112	San Joaquin	31 East Channel St., Room 306, Stockton 95202
Jones, Bill	Businessman/ Rancher	R	32	5160	Fresno, Madera, Mariposa, Tulare	1441 S Mooney Blvd., Suite D, Visalia 93277
Katz, Richard	Small Businessman	D	39	3146	Los Angeles	9140 Van Nuys Blvd., Suite 109, Panorama City 91402
Kelley, David G . . .	Citrus Rancher	R	73	4158	Riverside	6840 Indian Ave., Suite 150, Riverside 92506
Killea, Lucy	Full-Time Legislator	D	78	3173	San Diego	2550 5th Ave., Room 1020, San Diego 92103-6691
Klehs, Johan	Full-Time Legislator .	D	14	2013	Alameda	2450 Washington Ave., Suite 270, San Leandro 94577
La Follette, Marian	Full-Time Legislator	R	38	3132	Los Angeles	11145 Tampa Ave., Suite 17A, Northridge 91326
Lancaster, Bill	Full-Time Legislator	R	62	5158	Los Angeles, San Bernardino	145 East Badillo St., Covina 91723
Leonard, Bill	Real Estate Management	R	61	5128	San Bernardino . . .	1323 West Colton Ave., Suite 101, Redlands 92374
Leshe, Tim	Legislator/ Businessman	R	5	4116	Placer, Sacramento .	1098 Melody Ln., Suite 101, Roseville 95678
Lewis, John R	Businessman	R	67	5164	Orange	1940 N Tustin Ave., No 102, Orange 92665
Longshore, Richard.	Retired Naval Officer	R	72	4121	Orange	14550 Magnolia, Suite 201, Westminster 92683
Margolin, Burt M	Full-Time Legislator	D	45	4117	Los Angeles	8425 West 3rd St., Suite 406, Los Angeles 90048
McClintock, Tom	Full-Time Legislator .	R	36	4102	Ventura	350 North Lantana St., Suite 222, Camarillo 93010
Mojonnier, Sunny	Flower Grower/ Shipper	R	75	4005	San Diego	3368 Governor Dr., Suite C, San Diego 92122
Moore, Gwen ..	Full-Time Legislator .	D	49	2117	Los Angeles	3731 Stocker St., Suite 106, Los Angeles 90008
Mountjoy, Richard.	General Contractor	R	42	2175	Los Angeles	208 N 1st Ave., Arcadia 91006
Nolan, Pat.	Attorney	R	41	2114	Los Angeles	143 South Glendale Ave., Suite 208, Glendale 91205
O'Connell, Jack	Teacher	D	35	2141	Santa Barbara, Ventura	300 S C St., Oxnard 93030
Peace, Steve	Businessman	D	80	5140	Imperial, San Diego	430 Davidson, Suite B, Chula Vista 92010
Polanco, Richard . .	Full-Time Legislator	D	55	2188	Los Angeles	110 North Ave 56, Los Angeles 90042
Quackenbush, Charles W	Businessman	R	22	5150	Santa Clara	456 El Paseo de Saratoga, San Jose 95130

MEMBERS OF THE ASSEMBLY—Continued

Name	Occupation	Party	Dist	Capitol Office	Counties	District Office Mailing Address
Roos, Mike	Full-Time Legislator	D	46	3160	Los Angeles.....	625 South New Hampshire Ave., Suite 100, Los Angeles 90005
Roybal-Allard, Lucille.	Full-Time Legislator ..	D	56	5156	Los Angeles	5261 East Beverly Blvd., Los Angeles 90022
Seastrand, Eric .	Stockbroker .	R	29	4144	Monterey, San Luis Obispo, Santa Barbara	523 Higuera St., San Luis Obispo 93401
Sher, Byron ...	Law Professor	D	21	2136	San Mateo, Santa Clara	785 Castro St., Suite C, Mountain View 94041
Speier, Jackie ..	Attorney ...	D	19	4140	San Francisco, San Mateo	510 Myrtle Ave., Suite 107, South San Francisco 94080
Statham, Stan ..	Businessman .	R	1	4098	Butte, Glenn, Lassen, Modoc, Plumas, Shasta, Siskiyou, Tehama, Trinity .	429 Redcliff Dr., Suite 200, Redding 96002
Stirling, Larry .	Attorney	R	77	2137	San Diego.	7777 Alvarado Rd., Suite 377, La Mesa 92041
Tanner, Sally. . .	Full-Time Legislator	D	60	4146	Los Angeles . . .	11100 Valley Blvd., Suite 106, El Monte 91731
³ Tucker, Curtis R .	Full-Time Legislator	D	50	2158	Los Angeles	P O. Box 6500, Inglewood 90306
Vasconcellos, John	Lawyer ..	D	23	6026	Santa Clara	100 Paseo de San Antonio, #106, San Jose 95113
Waters, Maxine ..	Full-Time Legislator	D	48	5016	Los Angeles	7900 S Central Ave., Los Angeles 90001
Waters, Norman S	Rancher/ Legislator	D	7	6028	Alpine, Amador, Calaveras, El Dorado, Mono, Placer, Sacramento, Tuolumne	250 Main St., Placerville 95667
Wright, Cathue	Full-Time Legislator .	R	37	3126	Los Angeles, Santa Barbara, Ventura .	250 E Easy St., Suite 7, Simi Valley 93065
Wyman, Phillip D	Rancher/ Attorney .	R	34	2170	Inyo, Kern, Los Angeles . . .	825 North China Lake Blvd., Suite B, Ridgecrest 93555
Zeltner, Paul E	Full-Time Legislator	R	54	5130	Los Angeles	600 North Alameda, Room 197, Compton 90221

¹ Assemblyman Agnos, resigned January 1, 1988² Assemblyman Burton, oath of office April 14, 1988³ Assemblyman Tucker, died in office October 9, 1988

OFFICERS OF THE ASSEMBLY

Name	Title	Mailing Address
Brown, Willie L., Jr.	Speaker	540 Van Ness Ave., San Francisco 94102
Roos, Mike.....	Speaker pro Tempore . . .	625 South New Hampshire Ave., Suite 100, Los Angeles 90005
Isenberg, Phillip	Assistant Speaker pro Tempore	1215 15th St., Suite 102, Sacramento 95814
Hannigan, Thomas	Majority Floor Leader	844 Union Ave., Suite A, Fairfield 94533
Nolan, Pat . . .	Minority Floor Leader	143 South Glendale Ave., Suite 208, Glendale 91205
Kidney, R Brian ...	Chief Clerk	State Capitol, Room 3196, Sacramento 95814
Bell, Charles E . . .	Sergeant at Arms . . .	State Capitol, Room 3171, Sacramento 95814
Boswell, Hamilton T .	Chaplan	225 Water St., Point Richmond 94801

STATE JUDICIAL DEPARTMENT

SUPREME COURT JUSTICES AND OFFICERS

Terms of Court

Sessions of court are held at San Francisco, Los Angeles and Sacramento

JUSTICES

Hon Malcolm M Lucas	Chief Justice
Hon Allen E Broussard	Associate Justice
Hon Stanley Mosk	Associate Justice
Hon Edward A Panelli	Associate Justice
Hon John A Arguelles	Associate Justice
Hon David N Eagleson	Associate Justice
Hon Marcus M Kaufman	Associate Justice
Vacant	Clerk

COURTS OF APPEAL

FIRST APPELLATE DISTRICT

DIVISION ONE

Hon John T Racanelli	Presiding Justice
Hon William A Newsom	Associate Justice
Hon John W Holmdahl	Associate Justice
Hon William D Stein	Associate Justice

DIVISION TWO

Hon J Anthony Klue	Presiding Justice
Hon Jerome A Smith	Associate Justice
Hon John E Benson	Associate Justice
Hon J Clinton Peterson	Associate Justice

DIVISION THREE

Hon Clinton W White	Presiding Justice
Hon Betty Barry-Deal	Associate Justice
Hon Robert Merrill	Associate Justice
Hon Gary E Strankman	Associate Justice

DIVISION FOUR

Hon Carl W Anderson	Presiding Justice
Hon Marcel B Poche	Associate Justice
Hon William R Channell	Associate Justice
Hon James F Perley	Associate Justice

DIVISION FIVE

Hon Harry W Low	Presiding Justice
Hon Donald B King	Associate Justice
Hon Zerme P. Hanung	Associate Justice
Ron D Barrow	Clerk

5154 State Building, San Francisco 94102

SECOND APPELLATE DISTRICT

DIVISION ONE

Hon Vano Spencer	Presiding Justice
Hon L Thaxton Hanson	Associate Justice
Hon Robert R Devich	Associate Justice
Hon Reuben A Ortega	Associate Justice
Robert N Wilson	Clerk

3580 Wilshire Blvd, Los Angeles 90010

DIVISION TWO

Hon Lester Wm Roth	Presiding Justice
Hon Lynn D Compton	Associate Justice
Hon Donald N Gates	Associate Justice
Hon Morio L Fukuto	Associate Justice
Robert N Wilson	Clerk

3580 Wilshire Blvd, Los Angeles 90010

DIVISION THREE

Hon Joan D Klein	Presiding Justice
Hon George Damelson	Associate Justice
Hon Armand Arabian	Associate Justice
Hon H Walter Croskey	Associate Justice
Robert N Wilson	Clerk

3580 Wilshire Blvd, Los Angeles 90010

DIVISION FOUR

Hon Arleigh Woods	Presiding Justice
Hon. Eugene McClosky	Associate Justice
Hon Ronald M. George	Associate Justice
Hon. Jack E. Goertzen	Associate Justice
Robert N Wilson	Clerk

3580 Wilshire Blvd., Los Angeles 90010

DIVISION FIVE

Hon Campbell M Lucas	Presiding Justice
Hon Herbert L. Ashby	Associate Justice
Hon Roger W Boren	Associate Justice
Hon. Joyce L. Kennard	Associate Justice
Robert N. Wilson	Clerk

3580 Wilshire Blvd , Los Angeles 90010

DIVISION SIX

Hon Steven Stone	Presiding Justice
Hon Arthur Gilbert	Associate Justice
Hon Richard Abbe	Associate Justice
Robert N Wilson	Clerk

1280 So. Victoria Ave., Ventura 93003

DIVISION SEVEN

Hon. Mildred L. Lallie	Presiding Justice
Hon Earl Johnson	Associate Justice
Hon Fred Woods	Associate Justice
Robert N. Wilson	Clerk

3580 Wilshire Blvd , Los Angeles 90010

THIRD APPELLATE DISTRICT

Hon. Robert K. Puga	Presiding Justice
Hon Coleman A. Blease	Associate Justice
Hon Hugh A. Evans	Associate Justice
Hon Frances N Carr	Associate Justice
Hon Keith Sparks	Associate Justice
Hon. Richard M. Simms, III	Associate Justice
Hon Fred W Marler, Jr	Associate Justice
Robert L. Liston	Clerk

119 Library and Courts Building, Sacramento 96814

FOURTH APPELLATE DISTRICT

DIVISION ONE

Hon. Daniel J. Kremer	Presiding Justice
Hon. Howard B Wiener	Associate Justice
Hon. Don R. Work	Associate Justice
Hon. Wilham L. Todd, Jr	Associate Justice
Hon. Patricia D. Benke	Associate Justice
Hon. Richard D. Huffman	Associate Justice
Hon. Charles W. Froehlich	Associate Justice
Hon Gilbert Nares	Associate Justice
Stephen M. Kelly	Clerk

1350 Front Street, Room 6010, San Diego 92101

DIVISION TWO

Hon. Joseph B. Campbell	Presiding Justice
Hon. E. Douglas McDaniel	Associate Justice
Hon. John H Hews	Associate Justice
Hon Howard B Daubney	Associate Justice
Hon. Thomas E. Hollenhorst	Associate Justice
Stephen M. Kelly	Clerk

303 W Third Street, Room 640, San Bernardino 92401

DIVISION THREE

Hon Harmon G Scoville	Presiding Justice
Hon. Thomas F Crosby	Associate Justice
Hon. Edward J. Wallin	Associate Justice
Hon Sheila Prell Sonenshine	Associate Justice
Hon Henry T Moore, Jr	Associate Justice
Stephen M Kelly	Clerk

600 W Santa Ana Blvd , P.O Box 12500, Santa Ana 92712

FIFTH APPELLATE DISTRICT

Hon Donald R Franson	Presiding Justice
Hon. Wickson L. Woolpert	Associate Justice
Hon Charles F Hamlin	Associate Justice
Hon. Robert L. Martin	Associate Justice
Hon Hollis G Best	Associate Justice
Hon William A. Stone	Associate Justice
Hon James A Ardaiz	Associate Justice
Keven A Swanson	Clerk

5002 State Building, 2530 Mariposa Street, Fresno 93721

SIXTH APPELLATE DISTRICT

Hon. Nat A Agliano	Presiding Justice
Hon. Harry F. Brauer	Associate Justice
Hon Walter P Capaccioli	Associate Justice
Hon Christopher C Cottle	Associate Justice
Hon Franklin D Elia	Associate Justice
Hon Eugene M Fremo	Associate Justice
Michael J Yerly	Clerk

333 West Santa Clara Street, San Jose 95113

PUBLIC UTILITIES COMMISSION

Stanley W Hulett	President
Donald Vial	Commissioner
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WORKERS' COMPENSATION APPEALS BOARD

C. Gordon Taylor	Chairman
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TABLE OF LAWS ENACTED

TABLE OF RESOLUTIONS AND
PROPOSED CONSTITUTIONAL
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BY THE LEGISLATURE

1988

1987-88 Regular Session

TABLE OF LAWS ENACTED

1988

1987-88 Regular Session

Ch No	A B No	S B No	Author	Ch No	A B No	S B No	Author
1	—	1548	Torres	33	2395	—	Stirling
2	1099	—	Elder	34	2740	—	Roos
3	258	—	Chandler (Principal coauthor Senator Doolittle)	35	2658	—	Speier
4	417	—	Stirling	36	—	455	McCorquodale (Coauthor Assembly Member Connelly)
5	1160	—	Floyd	37	—	621	McCorquodale (Coauthor Assembly Member Condit)
6	310	—	Floyd	38	1086	—	Jones
7	2672	—	Hauser	39	1241	—	Norman Waters
8	1806	—	Costa (Principal coauthor Senator Marks)	40	1539	—	Klehs
9	—	516	Bergeson (Principal coauthor Assembly Member Katz) (Coauthors Senators Kopp, Morgan, and Seymour) (Coauthors Assembly Members Duplussea, Ferguson, Frazee, Hansen, Lancaster, Leonard, Longshore, and Wyman)	41	1697	—	Katz, Baker, Bates, Bradley, Dennis Brown, Chandler, Costa, Duplussea, Eastn, Eaves, Elder, Ferguson, Frazee, Hannagan, Hansen, Harvey, Hauser, Hill, Johnson, Johnston, Leonard, McClintock, Polanco, Roos, Seastrand, Statham, Norman Waters, and Wyman (Coauthors Senators Bergeson, Davis, Deddeh, Bill Greene, Robbins, Rosenthal, Royce, Seymour, and Torres)
10	—	203	Presley, Doolittle, Lockyer, and Nielsen (Coauthors Assembly Members Chandler and Jones)	42	—	22	Bergeson (Coauthors Senators Deddeh, Doolittle, Leroy Greene, Morgan, Nielsen, Presley, and Seymour) (Coauthors Assembly Members Allen, Bader, Bane, Bradley, Clute, Costa, Ferguson, Filante, Hansen, Hauser, Jones, Kelley, Leonard, Leslie, Mojonner, Statham, and Stirling)
11	2130	—	Klehs (Principal coauthor Senator Garamendi)	43	—	468	Presley
12	924	—	Tanner and McClintock	44	—	703	Hart
13	—	1495	Dills	45	1439	—	Leonard and O'Connell
14	—	81	Garamendi, Alquist, Beverly, Craven, Dills, Doolittle, Kopp, Lockyer, Maddy, Marks, McCorquodale, Presley, Robert, Rosenthal, and Torres (Principal coauthors Assembly Members Farr, Hannagan, and Johnston)	46	1715	—	Costa (Principal coauthor Senator Mello)
15	1406	—	Frazee	47	—	997	Mello (Principal coauthor Assembly Member Costa)
16	1616	—	Duplussea, Zeltner, Bradley, Hansen, Harvey, and Speier (Coauthor Senator Dills)	48	—	1693	Robert and Leroy Greene and Assembly Member Hayden (Coauthors Senators Boatwright, Marks, Mello, and Petrus) (Coauthors Assembly Members Bane, Willie Brown, Chacon, Clute, Costa, Elder, Hauser, and Polanco)
17	—	620	McCorquodale	49	—	181	Keene (Principal coauthor Senator Torres) (Principal coauthors Assembly Members Floyd, Hannagan, and Hauser) (Coauthors Senators Alquist, Beverly, Dills, Garamendi, Cecil Green, Bill Greene, Kopp, Marks, McCorquodale, Nielsen, Petrus, Presley, Robbins, Rosenthal, Seymour, and Vuich) (Coauthors Assembly Members Areas, Bane, Bates, Clute, Costa, Eastn, Eaves, Elder, Farr, Filante, Frazee, Friedman, Katz, Killea, Margolin, Moore, O'Connell, Polanco, Roos, Sher, Speier, Statham, and Vasconcellos)
18	—	1272	McCorquodale (Principal coauthor Assembly Member Condit)	50	1640	—	Wyman, Leonard, and Bader (Coauthor Senator Seymour)
19	1010	—	Bane	51	149	—	Stirling
20	2350	—	Killea (Coauthor Senator Craven)	52	—	638	McCorquodale
21	1218	—	Polanco	53	1350	—	Cortese
22	2168	—	Costa and Bronzan	54	2560	—	Condit
23	2667	—	Killea	55	2561	—	Condit and Norman Waters
24	—	140	Deddeh (Principal coauthors Senators Bergeson and Seymour) (Coauthors Senators Keene, Marks, and Robert) (Coauthors Assembly Members Stirling, Eaves, and Duplussea)	56	436	—	Vasconcellos
25	48	—	O'Connell, Johnston, Leonard, and Speier	57	—	1356	Campbell
26	69	—	Clute	58	2230	—	Chandler
27	2032	—	Willie Brown (Principal coauthors Assembly Members Cortese and Floyd) (Coauthors Assembly Members Bane, Calderon, Chacon, Eastn, Farr, Hauser, Hayden, Hughes, Moore, Polanco, Roos, Speier, Tucker, Maxine Waters, and Norman Waters) (Principal coauthors Senators Leroy Greene and Robert) (Coauthors Senators Alquist, Dills, Marks, and Petrus)	59	236	—	McClintock (Principal coauthor Senator McCorquodale)
28	—	34	Boatwright (Principal coauthors Senators Ayala and Garamendi) (Principal coauthors Assembly Members Costa, Isenberg, and Johnston)	60	42	—	Leonard
29	1929	—	Bader, Campbell, Clute, Farr, Friedman, Hayden, Hughes, Johnston, La Follette, Leonard, Longshore, O'Connell, Quackenbush, and Statham	61	1933	—	Maxine Waters (Principal coauthor Assembly Member Willie Brown) (Coauthor Assembly Member Polanco) (Principal coauthor Senator McCorquodale) (Coauthor Senator Boatwright)
30	—	1692	Robert and Leroy Greene and Assembly Member Hayden (Coauthors Senators Boatwright, Marks, Mello, and Petrus) (Coauthors Assembly Members Bane, Willie Brown, Chacon, Clute, Costa, Elder, Hauser, and Polanco)	62	1514	—	Chandler
31	—	1705	Boatwright	63	—	1729	Maddy (Principal coauthor Assembly Member Seastrand)
32	—	1706	Boatwright (Principal coauthors Assembly Members Nolan and Maxine Waters)				

TABLE OF LAWS ENACTED—Continued

1988

Ch No	A B No	S B No	Author	Ch No	A B No	S B No	Author
64	3151	—	Wright (Coauthor Senator Davis)	108	—	819	Rosenthal
65	2507	—	Speier	109	—	1862	Watson
66	—	1642	Keene (Principal coauthor Assembly Member Johnston)	110	3057	—	Johnston
67	2148	—	Jones	111	—	1499	Presley (Principal coauthors Assembly Members Felando and Eaves)
68	773	—	Floyd	112	2207	—	Costa
69	2073	—	Floyd	113	2779	—	Harris
70	1724	—	Areias	114	3013	—	Mojonnier
71	1914	—	Harris	115	3043	—	Friedman
72	2873	—	Longshore, Ferguson, Willie Brown, Johnson, Nolan, Allen, Areias, Bader, Baker, Bane, Bronzan, Dennis Brown, Calderon, Chandler, Condit, Connelly, Duplussea, Eaves, Farr, Felando, Filante, Frazee, Frizzelle, Grsham, Hannagan, Hansen, Harvey, Hauser, Hill, Hughes, Isenberg, Johnston, Jones, Kelley, Killea, Klehs, La Follette, Lancaster, Leonard, Leshe, Lewis, McClintock, Mojonnier, Moore, Mountjoy, Peace, Quackenbush, Roos, Seastrand, Sher, Statham, Stirling, Tucker, Norman Waters, Wright, Wyman, and Zeltmer (Coauthors Senators Alquist, Ayala, Bergeson, Beverly, Campbell, Craven, Davis, Dills, Doolittle, Ellis, Garamendi, Cecil Green, Kopp, Maddy, Marks, McCorquodale, Morgan, Nielsen, Petrus, Presley, Richardson, Robbins, Roberts, Rogers, Rosenthal, Royce, Russell, Seymour, Torres, Vuch, and Watson)	116	3090	—	Floyd
73	2417	—	Clute	117	—	1845	Robbins, Davis, and Rosenthal
74	608	—	Zeltmer	118	1016	—	Statham (Principal coauthor Senator Doolittle) (Coauthor Assembly Member Bates) (Coauthor Senator Petrus)
75	1095	—	Norman Waters	119	4691	—	Kelley
76	2296	—	Killea	120	—	2187	Mello
77	—	753	Leroy Greene	121	—	1265	Presley (Principal coauthor Senator Campbell) (Coauthor Assembly Member Baker)
78	2583	—	Stirling	122	1063	—	Leonard
79	316	—	Lancaster	123	2484	—	Hauser
80	—	822	McCorquodale	124	2724	—	Friedman (Coauthors Assembly Members Bates, Farr, Hughes, Klehs, Margolin, Peace, Roybal-Allard, Tucker, Vasconcellos, and Zeltmer)
81	1014	—	O'Connell	125	2910	—	Polanco
82	2326	—	Killea	126	2915	—	McClintock
83	2799	—	Hansen	127	2940	—	Quackenbush
84	—	860	Campbell	128	2993	—	Chandler
85	—	1513	Craven (Principal coauthor Assembly Member Katz) (Coauthor Senator Presley)	129	3177	—	Bradley
86	1170	—	Harris	130	3254	—	Jones
87	1846	—	Zeltmer and Chandler (Principal coauthor Assembly Member Duplussea) (Principal coauthor Senator Kopp) (Coauthors Assembly Members Hauser, Leonard, Leshe, and Sher) (Coauthor Senator Davis)	131	3422	—	Johnson
88	2324	—	Killea, Baker, Bane, Bates, Bradley, Campbell, Chacon, Cortese, Costa, Eastin, Farr, Filante, Frazee, Hannagan, Hughes, Katz, McClintock, Mojonnier, Moore, Polanco, Roos, Speier, Norman Waters, and Zeltmer (Coauthors Senators Alquist, Deddeh, Dills, Bill Greene, Keene, Marks, McCorquodale, Petrus, Presley, Robbins, Rosenthal, and Torres)	132	3741	—	Eastin
89	2454	—	Friedman	133	3882	—	Bradley
90	2521	—	Campbell	134	—	1340	Nielsen
91	2592	—	Wyman	135	4539	—	Cortese
92	235	—	Hughes	136	—	653	McCorquodale
93	—	179	Deddeh	137	—	1476	Mello and Roberts (Principal coauthor Senator Vuch) (Coauthor Senator Boatwright)
94	1242	—	Tucker	138	—	2010	Maddy
95	—	1701	Bergeson	139	1513	—	Leshe
96	2532	—	Jones	140	2729	—	Bradley
97	2486	—	Hauser	141	4238	—	Bradley
98	827	—	Polanco	142	—	2099	Robbins
99	841	—	Harris	143	—	2315	Nielsen
100	981	—	Cortese	144	—	2362	Bergeson
101	1758	—	Clute	145	—	2366	Bergeson
102	2044	—	Hughes	146	—	2367	Bergeson
103	2727	—	Chandler	147	—	2766	Nielsen
104	3164	—	Norman Waters	148	476	—	Grsham
105	558	—	Hannagan (Coauthor Senator Watson)	149	671	—	Katz
106	—	177	Deddeh	150	1354	—	Wright
107	—	549	Presley and Vuch	151	1563	—	Wright
				152	1575	—	Eastin (Coauthor Senator Alquist)
				153	2840	—	Harris
				154	2849	—	Johnston
				155	2914	—	Killea, Bradley, Chacon, Frazee, Mojonnier, Peace, and Stirling
				156	—	1828	Bergeson
				157	—	1916	Marks and Kopp
				158	—	2382	Deddeh
				159	—	2518	Robbins
				160	—	2637	Lockyer
				161	1286	—	Jones
				162	2710	—	Cortese
				163	1540	—	Klehs
				164	1598	—	Cortese
				165	2746	—	Allen
				166	3826	—	Vasconcellos
				167	—	1780	Hart
				168	806	—	Floyd
				169	—	2483	Torres
				170	612	—	Sher, Speier, Bates, Connelly, Friedman, Hannagan, La Follette, Margolin, O'Connell, and Roos
				171	3085	—	Cortese
				172	1192	—	Speier
				173	1405	—	Frazee

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Ch No	A B No	S B No	Author	Ch No	A B No	S B No	Author
174	2325	—	Killea	234	3274	—	Filante
175	2881	—	Longshore and Bradley	235	3445	—	Johnson
176	2968	—	Speier (Coauthor Senator Morgan)	236	4399	—	Filante
177	3133	—	Harris	237	2043	—	Hughes (Principal coauthor Senator McCorquodale) (Coauthor Senator Dills)
178	3390	—	Chandler	238	2728	—	Chandler
179	3543	—	Johnson	239	2793	—	Chandler, Bradley, Duplussea, Hansen, and Statham
180	3591	—	Hughes	240	2896	—	Chandler
181	3629	—	Zeltner	241	4095	—	Elder
182	3709	—	Polanco	242	—	2268	Bill Greene (Principal coauthor Senator Nielsen) (Coauthor Senator Marks) (Coauthors Assembly Members Hansen and Moore)
183	3757	—	Strling	243	—	2618	Rosenthal
184	3788	—	Kelley	244	2750	—	Eastn (Principal coauthors Assembly Members Friedman and Zeltner) (Coauthors Assembly Members Bane, Bradley, Chacon, Costa, Hannigan, Jones, Katz, McClintock, Mojonmer, Moore, O'Connell, Peace, Roybal-Allard, Speier, Statham, Maxine Waters, and Wyman) (Coauthors Senators Bergeson, Dills, Montoya, Robbins, Seymour, and Torres)
185	3906	—	Wyman and Harvey (Coauthor Senator Rogers)	245	3018	—	Klehs
186	4346	—	Roybal-Allard	246	4030	—	Felando
187	—	1979	Mello	247	2721	—	Sher
188	—	2224	Beverly	248	3926	—	Roybal-Allard
189	—	2331	Kopp	249	2789	—	Vasconcellos
190	—	2369	Bergeson	250	—	1651	Marks
191	—	1819	Bill Greene	251	2893	—	Elder
192	4556	—	Wyman	252	—	1267	Maddy, Marks, McCorquodale, Montoya, Rosenthal, and Watson
193	4349	—	Roybal-Allard	253	—	2118	Beverly
194	3583	—	Sher	254	2811	—	Strling
195	—	470	Royce	255	3598	—	Jones
196	3510	—	Norman Waters	256	—	1406	Leroy Greene (Coauthor Senator McCorquodale) (Coauthors Assembly Members Bane, Bates, Hauser, Speier, and Vasconcellos)
197	971	—	Costa (Coauthors Assembly Members Areus, Bane, Bronzan, Eaves, Harvey, Isenberg, Johnston, Jones, Leslie, and Polanco) (Coauthors Senators Alquist, Garamendi, Petrus, and Presley)	257	—	2714	Robert
198	2820	—	Johnston	258	131	—	Jones
199	2739	—	Costa	259	649	—	Condit
200	3010	—	Floyd	260	1119	—	Zeltner
201	—	679	Rosenthal (Principal coauthors Assembly Members Baker, Bradley, Farr, Felando, Harris, Hill, Hughes, Katz, Killea, Leonard, Longshore, Moore, Peace, Polanco, Roybal-Allard, and Wright) (Coauthors Senators Ellis, Kopp, Nielsen, Roberts, and Russell)	261	1766	—	Wright
202	513	—	Hill	262	2998	—	Chandler
203	1367	—	Tanner	263	3071	—	Eastn
204	2896	—	Lewis	264	—	1664	Presley (Coauthor Senator McCorquodale) (Principal coauthor Assembly Member Maxine Waters)
205	—	729	McCorquodale	265	—	2552	Keene
206	2243	—	Bradley	266	1452	—	Johnston
207	2839	—	Harvey	267	2502	—	Killea
208	2921	—	Harvey	268	2619	—	Lancaster
209	3204	—	the Assembly Committee on Environmental Safety and Toxic Materials (Assembly Members Tanner (Chairwoman), Bader, Bradley, Connelly, Eastn, Hayden, Katz, Kellev, Killea, La Follette, Quackenbush, Sher, Speier, and Wright)	269	3022	—	Norman Waters (Coauthor Senator Presley)
210	3227	—	Norman Waters	270	3190	—	Frazee
211	3443	—	Chacon	271	3300	—	Wright
212	—	967	Dills and Alquist (Coauthors Assembly Members Bader, Eaves, Felando, Hill, Jones, Leonard, and Wright)	272	3314	—	Duplussea
213	1202	—	Chacon (Coauthor Senator Marks)	273	3697	—	Harris
214	2816	—	Chacon	274	3773	—	Hauser
215	2961	—	Chandler	275	3891	—	Harris
216	3023	—	Mojonmer	276	3919	—	Johnston
217	3037	—	Chandler	277	4002	—	Strling
218	3101	—	Eaves	278	4193	—	Harris
219	3102	—	Eaves	279	—	1976	Robbins (Principal coauthor Senator Cecil Green)
220	3261	—	O'Connell	280	3896	—	Burton
221	3347	—	Costa	281	4549	—	Wright and McClintock
222	3420	—	Wright	282	176	—	Campbell
223	3563	—	Killea	283	3111	—	Jones (Principal coauthor Senator Vuich)
224	3566	—	Costa	284	3144	—	Floyd
225	3620	—	Bader	285	3207	—	Tanner
226	1577	—	Hansen	286	3815	—	O'Connell
227	2102	—	Elder	287	3907	—	Eastn (Principal coauthor Senator Lockyer) (Coauthors Assembly Members Bane, Bradley, Cortese, Costa, Duplussea, Farr, Ferguson, Grisham, Hansen, Haus-
228	2749	—	Connelly				
229	2752	—	Eaves, Costa, Eastn, and Moore (Coauthors Senators Cecil Green and Torres)				
230	2906	—	McClintock				
231	2932	—	Speier				
232	3096	—	Leslie				
233	3235	—	Leslie				

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Ch No	A B No	S B No	Author	Ch No	A B No	S B No	Author
			er, Katz, Klehs, La Follette, Roos, Roybal-Allard, and Statham) (Coauthors Senators Campbell, Dills, Bill Greene, Petrus, and Seymour)				Easton and Zeltner) (Coauthor Senator Seymour)
288	—	508	Presley, Alquist, Dills, Cecil Green, Bill Greene, Leroy Greene, Keene, Marks, McCorquodale, Petrus, Roberti, Rosenthal, Seymour, and Watson (Coauthors Assembly Members Bane, Bates, Bronzan, Calderon, Cortese, Costa, Easton, Farr, Filante, Friedman, Hansen, Hauser, Hughes, La Follette, Mojonner, Moore, O'Connell, Roos, Roybal-Allard, Speier, Tanner, Vasconcellos, Maxine Waters, and Zeltner)	334	2506	—	Speier
289	—	2257	Dills	335	2691	—	Johnston
290	1146	—	Norman Waters	336	2743	—	Mojonner
291	2912	—	Speier	337	2755	—	Dennis Brown
292	4113	—	Bradley	338	3072	—	Seastrand
293	—	973	Hart	339	3073	—	Seastrand
294	—	1883	Beverly	340	3094	—	Allen
295	—	2036	Mello	341	3089	—	Areias
296	1871	—	Speier	342	3135	—	Easton
297	1720	—	Costa	343	3154	—	Kelley
298	2973	—	O'Connell (Principal coauthor Senator Rogers)	344	3231	—	Killea (Principal coauthor Senator McCorquodale)
299	3119	—	Allen	345	3325	—	Duplussea
300	3399	—	Wright and Farr	346	3377	—	Tanner
301	3720	—	Hauser	347	3401	—	Floyd
302	—	1954	Davis	348	3565	—	Hannigan
303	—	139	Mello (Coauthor Assembly Member Felando)	349	3604	—	Norman Waters
304	—	565	Presley and Keene (Coauthors Assembly Members Hauser, Bradley, Clute, Costa, Eaves, Filante, Harvey, Kelley, Lancaster, and Tanner)	350	3641	—	Campbell
305	—	677	McCorquodale (Principal coauthor Assembly Member Seastrand)	351	3740	—	Harvey, Bradley, and Ferguson
306	—	1430	Watson	352	3836	—	Norman Waters
307	—	1943	Craven	353	3839	—	O'Connell
308	—	2021	Cecil Green	354	3945	—	Fruzzelle
309	—	2330	Kopp	355	3988	—	Allen
310	—	2365	Bergeson	356	4063	—	Baker
311	—	2412	Kopp and Ayala	357	4074	—	Chacon
312	—	2721	Watson	358	4247	—	Hauser
313	294	—	Vasconcellos	359	4384	—	Costa
314	1819	—	Bates, Allen, Easton, Hughes, Johnston, Jones, Killea, Moore, Roybal-Allard, Speier, and Tanner (Coauthors Senators Garamendi, Rosenthal, Vuch, and Watson)	360	4548	—	Hauser
315	2775	—	Floyd	361	4557	—	Sher
316	2905	—	Tucker and Leslie	362	4653	—	McClintock
317	2943	—	Norman Waters (Principal coauthor Senator Nielsen) (Coauthors Assembly Members Areias, Baker, Bradley, Bronzan, Chacon, Clute, Condit, Cortese, Costa, Eaves, Frazee, Hansen, Harvey, Hauser, Jones, Katz, Kelley, Mojonner, Moore, Peace, Seastrand, Statham, and Zeltner) (Coauthors Senators Dills, Doolittle, Cecil Green, McCorquodale, Presley, Torres, and Vuch)	363	—	1728	Leroy Greene
318	2970	—	Seastrand	364	—	1856	Bill Greene
319	3547	—	Hannigan	365	—	1861	Davis
320	3987	—	Sher	366	—	2893	Hart
321	4419	—	Bradley	367	3082	—	Cortese
322	—	1383	Lockyer	368	3087	—	Nolan
323	—	1717	Robbins	369	3100	—	Vasconcellos
324	—	2114	Rosenthal	370	3195	—	Elder
325	—	2536	Craven	371	4176	—	Moore
326	3036	—	Vasconcellos	372	—	548	Watson (Coauthor Assembly Member Costa)
327	4069	—	Clute	373	—	1918	Petrus
328	—	525	Craven	374	726	—	Kelley
329	—	1814	Marks	375	4561	—	Polanco
330	—	2785	Marks and Cecil Green	376	1877	—	Filante
331	1104	—	Elder	377	3153	—	Kelley
332	1396	—	Clute and Norman Waters	378	3209	—	Tanner
333	1827	—	Longhore (Coauthors Assembly Members	379	3330	—	Costa
				380	3409	—	Fruzzelle
				381	3679	—	Frazee
				382	3887	—	Grisham
				383	3938	—	Jones
				384	4197	—	Izenberg
				385	4510	—	Manne Waters
				386	—	406	Presley
				387	—	696	Mello
				388	—	2814	Davis and Bergeson
				389	421	—	La Follette
				390	2252	—	Elder
				391	2582	—	Duplussea
				392	2805	—	Duplussea
				393	2836	—	Stirling
				394	2903	—	Hansen
				395	3026	—	Lancaster
				396	3029	—	Vasconcellos
				397	3068	—	Costa
				398	3127	—	Areias
				399	3191	—	Frazee
				400	3264	—	Frazee
				401	3742	—	Easton
				402	4169	—	Frazee
				403	4282	—	Bronzan
				404	4464	—	Connolly
				405	4622	—	Bader
				406	—	45	Lockyer (Coauthor Assembly Member Eaves)
				407	—	1296	Hart

TABLE OF LAWS ENACTED—Continued

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Ch No	A B No	S B No	Author	Ch No	A B No	S B No	Author
406	2880	—	Elder	474	—	2787	Nielsen
409	—	1849	Montoya	475	—	2860	Royce
410	—	1742	Ayala	476	—	2483	Torres, Marks, and Robert (Coauthors Assembly Members Areias, Cortese, and Farr)
411	—	726	Deddeh	477	3924	—	Johnson and Hanngan
412	2140	—	Mojonnier	478	4472	—	Kelley
413	2919	—	Speier	479	—	2592	Dills and Campbell
414	3082	—	McClintock (Coauthor Senator Davis)	480	1250	—	Lewis
415	3141	—	O'Connell	481	1913	—	Harris (Principal coauthor Assembly Member Bader)
416	3318	—	Duplussea	482	2392	—	Clute
417	3903	—	Roos	483	2731	—	Leonard (Principal coauthor Senator Ayala)
418	3980	—	Cortese	484	3089	—	Connelly
419	4277	—	Bronzan	485	3524	—	Mojonnier (Principal coauthor Assembly Member Jones)
420	2578	—	Friedman	486	3525	—	Mojonnier (Principal coauthor Assembly Member Jones)
421	3016	—	Klehs	487	3676	—	Frazee
422	3284	—	Moore	488	3768	—	Chacon
423	4504	—	Floyd	489	3920	—	Johnston
424	—	532	Keene	490	3992	—	Frazee
425	1327	—	Eastn, Bane, Condit, Harvey, Hauser, Johnston, Seastrand, Tucker, and Zeltner	491	4089	—	Johnston (Coauthor Senator Bergeson)
426	3075	—	Stirling	492	4285	—	Bronzan
427	3362	—	Elder	493	4335	—	Norman Waters
428	3365	—	Dennis Brown	494	4435	—	Norman Waters
429	3623	—	Sher	495	4609	—	Stirling
430	3875	—	Bates	496	—	2069	Mello
431	4082	—	Dennis Brown	497	—	2082	Royce
432	—	1060	Boatwright (Coauthor Senator Doolittle)	498	—	2230	Craven
433	—	1723	Deddeh	499	—	2546	Rosenthal
434	—	1890	Seymour	500	894	—	Hansen (Principal coauthor Assembly Member Costa) (Principal coauthor Senator Garamendi) (Coauthors Assembly Members Chandler, Jones, Kelley, and Statham)
435	—	1932	Campbell	501	993	—	Wyman and Harvey (Coauthor Senator Rogers)
436	—	1939	Deddeh	502	1537	—	Wright (Coauthor Senator Bill Greene)
437	—	1955	Beverly	503	1767	—	Nolan and Hughes
438	—	1956	Rogers	504	1836	—	Stirling (Principal coauthor Senator Lockyer)
439	—	2173	Dills	505	2059	—	Stirling
440	—	2263	Bergeson	506	2800	—	Eaves (Principal coauthor Assembly Member Hughes)
441	—	2641	Beverly	507	2824	—	Polanco
442	2709	—	Chacon	508	2835	—	Stirling
443	2916	—	Wright	509	2872	—	Jones
444	3014	—	Baker	510	3019	—	Hanngan
445	3179	—	Bradley	511	3051	—	Bradley
446	3232	—	Killea	512	3074	—	Polanco
447	3265	—	Cortese	513	3313	—	Chandler
448	3418	—	Hughes	514	3415	—	Longshore
449	3513	—	Norman Waters	515	3467	—	O'Connell
450	3530	—	Kelley	516	3864	—	Frazee
451	—	643	Watson	517	4034	—	Stirling
452	—	665	Dills	518	4060	—	Cortese
453	—	1799	Ayala, Kopp, and Presley (Coauthors Senators Bergeson, Cecil Green, Bill Greene, Montoya, Nielsen, and Seymour) (Coauthors Assembly Members Bradley, Costa, Eaves, Filante, Hughes, Johnson, Klehs, McClintock, Mojonnier, and Seastrand)	519	4673	—	Wyman
454	—	1811	Garamendi, Keene, Presley, and Vuch (Coauthors Assembly Members Bradley, Chacon, Frazee, and Hauser)	520	—	1818	Bill Greene
455	—	1824	Rosenthal	521	—	1891	Seymour
456	—	1906	Rogers	522	—	1934	Craven, Alquist, Bergeson, Dills, Doolittle, Bill Greene, Leroy Greene, Keene, Kopp, McCorquodale, Nielsen, Presley, and Vuch (Coauthors Assembly Members Allen, Areias, Bradley, Bronzan, Chandler, Cortese, Eastn, Eaves, Farr, Grisham, Longshore, Moore, Sher, and Zeltner)
457	—	1957	Rogers	523	—	2943	McCorquodale
458	—	1970	Ellis	524	—	2776	Robert
459	—	2004	Ayala	525	—	2942	McCorquodale and Doolittle (Coauthors Assembly Members Bradley, Hauser, and Speier)
460	—	2026	Robbins	526	—	1790	Bill Greene
461	—	2052	Marks	527	—	2413	Kopp
462	—	2080	Royce	528	3692	—	Killea
463	—	2328	Kopp and Marks	529	—	118	Tucker
464	—	2360	Vuch	530	1630	—	McClintock
465	—	2368	Bergeson				
466	—	2464	Kopp, Davis, Leroy Greene, Rosenthal, and Torres (Coauthors Assembly Members Bradley, Eaves, Katz, La Follette, and Zeltner)				
467	—	2470	Vuch				
468	—	2521	Beverly				
469	—	2531	Nielsen (Principal coauthor Assembly Member Chandler) (Coauthor Senator Boatwright)				
470	—	2539	Russell				
471	—	2542	Montoya				
472	—	2582	Mello				
473	—	2693	Torres				

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Ch No	A B No	S B No	Author	Ch No	A B No	S B No	Author
531	2092	—	Zeltner	575	4267	—	Friedman
532	2247	—	Wright	576	4348	—	Roybal-Allard (Coauthors Assembly Mem- bers Eastun, Hughes, Moore, and Tanner) (Coauthors Senators Bergeson, Vuich, and Watson)
533	2377	—	Statham, Dennis Brown, Farr, Hauser, Klehs, Speier, and Zeltner	577	4370	—	Hauser, Bradley, Bronzan, Hansen, and Harvey (Principal coauthor Senator Keene)
534	2697	—	Statham (Principal coauthors Assembly Members Cortese and Roos) (Coauthors Assembly Members Bradley, Farr, Fi- lante, Hayden, Klehs, La Follette, Vas- concellos, and Zeltner) (Coauthors Senators Morgan and Seymour)	578	4371	—	Lancaster
535	2873	—	Jones	579	4436	—	Norman Waters
536	2928	—	Frazee, Bradley, Killea, and Mojonner (Coauthors Senators Bergeson and Ded- deh)	580	4490	—	Wright
537	3028	—	Lancaster	581	4570	—	Duplussea
538	3183	—	Hughes	582	4582	—	Isenberg
539	3236	—	Norman Waters	583	—	2081	Royce
540	3239	—	Lewis	584	—	1787	Bill Greene
541	4099	—	Hauser	585	—	1821	Rosenthal
542	—	1190	Lockyer	586	—	1901	Senators Davis and Avala
543	—	1907	Ellis	587	—	1951	Davis
544	—	2216	Dills	588	—	1981	Dills
545	379	—	Killea	589	—	2022	Cecil Green
546	2734	—	Duplussea	590	—	2039	Rosenthal
547	2776	—	Connelly	591	—	2176	McCorquodale
548	2781	—	Costa	592	—	2193	Bergeson
549	2876	—	Calderon	593	—	2210	McCorquodale (Coauthors Senators Bill Greene, Marks, Petris, and Presley) (Coauthor Assembly Member Hansen)
550	2995	—	Hauser	594	—	2472	Montoya
551	3064	—	O'Connell	595	—	2478	Keene
552	3186	—	Hughes	596	—	2495	Roberts
553	3309	—	Harris	597	—	2538	Mello and Cecil Green
554	3324	—	Duplussea	598	—	2636	Russell
555	4067	—	Johnston (Principal coauthor Senator Dills) (Coauthors Assembly Members Bradley, Willie Brown, Campbell, Chacon, Con- nelly, Cortese, Farr, Friedman, Han- gan, Hauser, Hayden, Isenberg, Killea, Klehs, Margolin, O'Connell, Peace, Polanco, Sher, Speier, Vasconcellos, Max- ine Waters, and Zeltner) (Coauthors Senators Davis, Cecil Green, Bill Greene, Leroy Greene, Kopp, Marks, McCor- quodale, Robbins, Roberts, Torres, and Vuich)	599	—	2651	Kopp, Davis, Doolittle, Lockyer, Marks, Presley, Robbins, and Royce (Coauthors Assembly Members Chandler, Harvey, Longshore, McClintock, Peace, and Quackenbush)
556	2891	—	Jones	600	—	2810	Marks
557	2967	—	Frizzelle	601	—	2836	Russell
558	2984	—	La Follette	602	4433	—	Elder
559	—	335	Robbins	603	3386	—	Hughes
560	—	569	Garamendi	604	3612	—	Floyd
561	—	2737	Mello	605	3120	—	Chandler
562	3366	—	Johnston	606	3128	—	Eastun and Klehs (Coauthor Senator Locky- er)
563	3340	—	Costa and Baker (Coauthor Senator Maddy)	607	3225	—	Norman Waters
564	3429	—	Leslie	608	3293	—	La Follette
565	3542	—	Margolin	609	3392	—	Longshore (Coauthor Assembly Member Frizzelle)
566	3755	—	Sturling	610	3424	—	Costa
567	3833	—	the Assembly Committee on Utilities and Commerce (Assembly Members Moore (Chairwoman), Bradley, Farr, Felando, Harris, Hill, Hughes, Killea, Leonard, Longshore, Polanco, Roybal-Allard, and Wright) and Baker (Coauthor Senator Nielsen)	611	3437	—	Jones
568	3858	—	Elder	612	3448	—	La Follette
569	3916	—	Johnston (Coauthors Assembly Members Allen, Bane, Eastun, Farr, Hauser, Klehs, Peace, and Tucker) (Coauthors Senators Kopp and McCorquodale)	613	3453	—	Polanco
570	3918	—	Johnston, Bradley, Costa, Eastun, Farr, Katz, Klehs, Roos, and Speier (Coauthors Senators Cecil Green, Kopp, Marks, and Robbins)	614	—	2644	Nielsen
571	4062	—	Baker	615	287	—	Cortese (Coauthor Senator Campbell)
572	4079	—	Dennis Brown	616	3378	—	Quackenbush
573	4066	—	Johnston and Isenberg (Coauthor Senator Garamendi)	617	3202	—	Tanner
574	4208	—	Roybal-Allard, Eastun, Hughes, Moore, and Tanner (Coauthors Senators Bergeson, Vuich, and Watson)	618	3131	—	Harris
				619	3103	—	Zeltner
				620	3070	—	Eastun
				621	3041	—	Friedman, Bane, Elder, Hauser, Klehs, Mar- goln, and Zeltner (Coauthors Senators Beverly, Presley, Robbins, Rosenthal, and Watson)
				622	3046	—	Kelley
				623	3464	—	Zeltner
				624	3435	—	Duplussea
				625	3380	—	Quackenbush
				626	2996	—	Bane
				627	2896	—	Dennis Brown
				628	2851	—	Dennis Brown
				629	2814	—	Hauser
				630	2813	—	Harvey, Bradley, Bronzan, Farr, Hansen, Jones, Statham, and Zeltner
				631	2804	—	Duplussea
				632	2797	—	Hansen
				633	2786	—	Jones
				634	2771	—	Chacon
				635	1003	—	Norman Waters
				636	3810	—	Vasconcellos

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Ch No	A B No	S B No	Author	Ch No	A B No	S B No	Author
637	3678	—	Frazee	709	—	960	McCorquodale (Coauthor Assembly Member Elder)
638	3511	—	Norman Waters	710	2693	—	Speier and Elder
639	3766	—	Connelly	711	2822	—	Duplussea
640	2758	—	Strling	712	2700	—	Killea, Bradley, Mojonmer, Allen, Chacon, Condit, Frazee, Harris, Leslie, Peace, Roos, and Strling
641	—	15	Robbins	713	—	2341	Lockyer
642	3523	—	Mojonmer (Principal coauthor Assembly Member Jones)	714	—	307	Rosenthal (Principal coauthor Senator Garamendi)
643	3475	—	Filante	715	3997	—	Strling
644	3003	—	La Follette	716	—	451	Beverly
645	3321	—	Duplussea	717	—	2055	Davis
646	4643	—	Zeltner	718	2855	—	Bane
647	4592	—	Wright	719	4465	—	Duplussea
648	4579	—	Moore	720	4466	—	Hannigan
649	4417	—	Strling	721	—	1255	Robert and Assembly Members Katz and McClintock (Coauthors Senators Campbell, Dills, Cecil Green, Leroy Greene, Kopp, Marks, McCorquodale, Petrus, Robbins, Rosenthal, Torres, and Watson) (Coauthors Assembly Members Agnos, Bane, Bates, Chacon, Condit, Cortese, Duplussea, Eastin, Farr, Felando, Frizelle, Grisham, Hansen, Harris, Harvey, Hauser, Hughes, Leslie, Longshore, Moore, Nolan, O'Connell, Polanco, Speier, Tanner, Vasconcellos, Norman Waters, Wright, and Zeltner)
650	4573	—	Duplussea	722	—	2066	Presley
651	4372	—	Lancaster	723	4445	—	Vasconcellos, Harris, and Strling (Coauthor Senator Morgan)
652	4330	—	Sher	724	3684	—	Frazee (Principal coauthor Senator Lockyer)
653	3811	—	Floyd	725	3789	—	Eastin
654	—	1879	Davis (Coauthor Assembly Member O'Connell)	726	4376	—	Farr
655	—	1871	Mello	727	—	606	Deddeh
656	—	1761	Lockyer	728	—	1009	Montoya
657	4265	—	Hansen	729	—	1341	Hart and Watson
658	—	538	McCorquodale	730	—	1560	Rosenthal
659	4186	—	Nolan	731	—	1727	Leroy Greene
660	—	2058	Seymour	732	—	1779	Morgan and Vuich (Coauthors Assembly Members Eastin, Hughes, Moore, Roybal-Allard, and Tanner)
661	—	2029	Beverly	733	—	1937	Garamendi
662	—	2837	Seymour	734	—	2192	Craven, Alquist, Ayala, Beverly, Boatwright, Campbell, Deddeh, Dills, Keene, Lockyer, Nielsen, and Presley
663	—	2491	Montoya	735	—	2427	Russell (Principal coauthor Senator Robert) (Coauthors Senators Campbell, Doolittle, Cecil Green, Petrus, and Royce) (Coauthors Assembly Members Allen, Baker, Bradley, Chandler, Condit, Farr, Ferguson, Frazee, Hansen, Hill, Leslie, Longshore, McClintock, Roos, Speier, Vasconcellos, and Zeltner)
664	—	2409	Kopp	736	—	2469	Dills
665	—	2143	Rosenthal	737	—	2596	Cecil Green
666	—	645	Royce	738	—	2677	Cecil Green
667	—	546	Bergeson	739	—	2682	Cecil Green
668	—	467	Petrus	740	3541	—	Baker
669	—	454	McCorquodale	741	—	2285	Presley (Coauthors Assembly Members Tanner and Lancaster)
670	—	314	Robbins	742	—	2352	Mello and Cecil Green
671	—	162	Vuich	743	147	—	Elder
672	4689	—	Bane	744	263	—	Farr
673	4174	—	Moore	745	1421	—	Filante
674	4165	—	Polanco	746	2307	—	Norman Waters
675	4006	—	Norman Waters	747	2716	—	Klehs
676	3978	—	Frazee	748	2747	—	Maxne Waters
677	3973	—	Chacon	749	3428	—	Leslie
678	3897	—	Harris	750	3624	—	Hannigan
679	3736	—	Jones	751	3661	—	Bane
680	—	2273	Mello	752	3705	—	Eastin
681	—	2219	Dills	753	3958	—	Condit
682	—	2131	Beverly	754	—	394	Alquist
683	—	2102	Beverly	755	—	1553	Kopp
684	4229	—	Bronzan	756	—	1702	Bergeson
685	—	1027	Davis, Dills, Doolittle, Bill Greene, and Lockyer (Coauthors Assembly Members Floyd, McClintock, Roos, and Strling)	757	—	1703	Bergeson
686	2929	—	Clute				
687	2837	—	Margolin				
688	2885	—	Elder				
689	3647	—	Friedman and Farr (Coauthors Senators Bill Greene and Petrus)				
690	4071	—	Vasconcellos				
691	4293	—	Bronzan				
692	4319	—	Connelly				
693	4632	—	Costa (Principal coauthors Assembly Members Bronzan and Filante)				
694	3772	—	Leslie				
695	3455	—	La Follette				
696	3702	—	Farr				
697	4513	—	Tanner				
698	4522	—	Wright				
699	—	354	Craven				
700	—	1736	Kopp				
701	—	1859	Presley				
702	—	1959	Dills				
703	—	2009	Bergeson				
704	—	2027	Marks				
705	—	2251	Bergeson (Principal coauthor Assembly Member Peace)				
706	—	2263	Keene				
707	—	2567	Ells				
708	—	2798	Lockyer				

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Ch No	A B No	S B No	Author	Ch No	A B No	S B No	Author
758	—	1764	Maddy				Speer, Statham, Tanner, and Wright
759	—	1822	Rosenthal				(Coauthors. Senators Doolittle and Garamendi)
760	—	1917	Rogers				
761	—	2647	Kopp	813	2936	—	Quackenbush
762	—	2449	Hart	814	2978	—	Katz (Coauthor Senator Deddeh)
763	—	2674	Senators Cecil Green and Doolittle	815	3425	—	Katz
764	1764	—	Margolin	816	3484	—	Filante
765	2806	—	Duplussea	817	3676	—	Bradley
766	2904	—	Speier	818	3941	—	Areias
767	2907	—	Stirling	819	4327	—	Farr
768	2934	—	Quackenbush	820	4332	—	Norman Waters
769	3020	—	Hannagan	821	—	399	McCorquodale
770	3058	—	Johnston (Coauthor Senator Garamendi)	822	—	1109	Mello
771	2969	—	Eastun	823	—	1157	Davis and Seymour (Coauthor Assembly Member Duplussea)
772	3112	—	Jones	824	—	1696	Russell
773	3182	—	Harvey, Hansen, Jones, and Zeltner (Coauthor Senator Rogers)	825	—	1750	Mello and Cecil Green
774	3257	—	O'Connell, Bane, Bradley, Willie Brown, Chacon, Costa, Eastun, Farr, Klehs, Leonard, Leslie, and Speier (Principal coauthor Senator Bill Greene) (Coauthors Senators Boatwright, Presley, Montoya, and Rosenthal)	826	—	1897	Bergeson
				827	—	2155	Petris
				828	—	2244	Beverly
				829	—	2271	Leroy Greene
				830	—	2293	Garamendi
				831	—	2377	Mello
775	3275	—	Filante	832	9	—	Hughes (Coauthors Senators Alquist and Dills)
776	3297	—	Killea	833	1050	—	Bader
777	3323	—	Duplussea	834	3047	—	Kelley
778	3343	—	Tanner	835	3063	—	Polanco
779	3395	—	Chandler	836	3210	—	Hannagan
780	3556	—	Clute	837	3252	—	Longshore
781	3602	—	Norman Waters	838	3299	—	Killea
782	3622	—	Zeltner	839	3413	—	Longshore and Wright
783	3951	—	Speier	840	3444	—	O'Connell
784	4031	—	Polanco	841	3540	—	Tanner
785	4081	—	Leslie	842	3631	—	Zeltner
786	4401	—	Filante	843	3659	—	Duplussea
787	4484	—	Stirling	844	3721	—	La Follette
788	—	1920	Rogers	845	3737	—	Willie Brown
789	—	1969	Ellis	846	3759	—	Stirling
790	—	2440	Alquist	847	3807	—	Harvey and Wyman
791	—	2673	Doolittle	848	3816	—	Chandler
792	3172	—	Elder	849	3866	—	Leslie
793	3353	—	Bader	850	3874	—	Costa
794	3498	—	Speier	851	3899	—	Harris
795	3681	—	Frazer	852	3914	—	Eastun (Principal coauthor Senator Torres) (Coauthors Assembly Members Hughes, Moore, Roybal-Allard, and Speier) (Coauthor Senator Vuch)
796	3687	—	Bates	853	3933	—	Hill
797	3712	—	Polanco	854	3996	—	Stirling
798	3922	—	Johnston	855	4006	—	Lancaster
799	3948	—	Grsham	856	4022	—	Filante
800	4016	—	Filante	857	4024	—	Hauser
801	4077	—	Connelly	858	4047	—	Harris
802	4137	—	Wright	859	4057	—	Wright
803	4172	—	Kelley	860	4167	—	Polanco
804	—	1752	Mello	861	4334	—	Norman Waters
805	703	—	Allen	862	4352	—	Longshore
806	1422	—	Wright	863	4596	—	Wright
807	1734	—	Isenberg and Norman Waters	864	4617	—	Lancaster
808	2139	—	Filante	865	4672	—	Katz
809	2696	—	Statham (Principal coauthor Senator Morgan) (Coauthors Assembly Members Baker, Bradley, Duplussea, Farr, Ferguson, Filante, Hansen, La Follette, Leslie, Vasconcellos, and Zeltner) (Coauthors Senators Cecil Green, McCorquodale, and Seymour)	866	—	737	Lockyer
				867	—	2032	Morgan (Principal coauthor Assembly Member Quackenbush)
810	2756	—	O'Connell	868	—	2340	Lockyer
811	2825	—	Tucker, Bane, Bradley, Clute, Connelly, Costa, Eastun, Harvey, Hauser, Hughes, Katz, Mojonier, Peace, Speier, Statham, Maxine Waters, and Zeltner (Coauthors Senators Bergeson, Boatwright, Campbell, Bill Greene, Leroy Greene, Mello, Robbins, Royce, Seymour, and Torres)	869	—	2355	Mello and Cecil Green
				870	—	2479	Keene (Principal coauthor Senator Davis)
				871	—	2577	Ellis
				872	—	2791	Royce
				873	—	2744	Garamendi
				874	3108	—	Zeltner
				875	4598	—	Hansen
				876	190	—	Bradley
				877	465	—	Norman Waters
				878	665	—	Johnson
				879	856	—	Quackenbush
812	2832	—	Norman Waters (Principal coauthor Senator Bergeson) (Coauthors Assembly Members Condit, Cortese, Costa, Areias, Bronzan, Chacon, Clute, Eastun, Eaves, Farr, Harvey, Hauser, Isenberg, Johnston, Jones, Killea, Klehs, Moore, Mountjoy, O'Connell, Polanco, Seastrand,	880	1234	—	Moore
				881	1240	—	Sher
				882	2826	—	Grsham

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883	2885	—	Hannigan, Costa, Cortese, Speier, and Vasconcellos (Coauthor Senator Bill Greene)	950	4398	—	Mountjoy
884	2931	—	Frazee	951	4423	—	Ferguson
885	2942	—	Katz	952	4599	—	Wyman (Principal coauthors Assembly Members Leonard and Seastrand)
886	2960	—	Chandler	953	4659	—	Strling
887	3215	—	Jones and Zeltner	954	4678	—	Chacon
888	3217	—	Margolin	955	4680	—	Statham and Farr
889	3276	—	Filante	956	4690	—	Cortese
890	3312	—	Wright	957	—	32	Ayala (Coauthors Senators Bergeson, Beverly, Boatwright, Craven, Doolittle, Garamendi, Cecil Green, Kopp, Maddy, McCorquodale, Mello, Nielsen, Presley, Robert, Rogers, Torres, and Vuch) (Principal coauthor Assembly Member Costa) (Coauthors Assembly Members Bronzan, Wilhe Brown, Connelly, Eaves, Filante, Floyd, Hansen, Harvey, Hill, Isenberg, Johnston, Jones, Katz, Kelly, Lancaster, McClintock, Nolan, O'Connell, Peace, and Norman Waters)
891	3381	—	Quackenbush	958	—	124	Mello
892	3460	—	La Follette	959	—	211	Bergeson
893	3528	—	Floyd	960	—	367	Robbins
894	3739	—	Jones and Bradley (Principal coauthor Assembly Member Hansen)	961	—	654	Bergeson
895	3867	—	Hauser	962	—	826	Mello and Deddeh
896	3886	—	Hill	963	—	909	McCorquodale
897	3932	—	Floyd	964	—	923	Rogers
898	3959	—	Norman Waters	965	—	928	Rogers
899	3240	—	Leslie	966	—	1079	Vuch
900	2025	—	Bates, Chacon, Eastin, Filante, Klehs, and Speier (Coauthors Senators Presley, Seymour, and Watson)	967	—	1379	Marks
901	2359	—	Dennis Brown	968	—	1407	Leroy Greene
902	2874	—	Elder	969	—	1614	Marks
903	—	1737	Kopp	970	—	1805	Morgan
904	—	2023	Campbell	971	—	2463	Kopp, Morgan, and Torres (Coauthors Assembly Members Wilhe Brown, Filante, and Hannigan)
905	—	2506	McCorquodale	972	4336	—	Costa, Cortese, Bates, Bronzan, Duplussea, Farr, Hansen, Leslie, and Vasconcellos (Coauthors Senators Keene, Morgan, Presley, Seymour, and Vuch)
906	3716	—	Frizzelle	973	1725	—	the Joint Committee for Review of the Master Plan for Higher Education (Principal coauthor Assembly Member Vasconcellos) (Principal Senate coauthors Senators Hart and Nielsen) (Coauthors Assembly Members Hayden, Hughes, Allen, Duplussea, Farr, and Isenberg) (Coauthors Senators Bergeson, Dills, Morgan, Petris, and Torres)
907	1067	—	Duplussea (Coauthor Senator Ellis)	974	1903	—	Vasconcellos (Principal coauthor Assembly Member Maxine Waters) (Principal coauthors Senators Alquist and Garamendi)
908	1142	—	Norman Waters	975	3229	—	Leslie
909	2093	—	Ferguson	976	—	2563	Maddy and Assembly Member Bronzan
910	2852	—	Clute	977	4437	—	Margolin (Principal coauthor Assembly Member Vasconcellos) (Principal coauthor Senator Robert) (Coauthors Assembly Members Filante and Friedman) (Coauthor Senator Watson)
911	3086	—	Floyd	978	4475	—	Wilhe Brown
912	3143	—	Cortese	979	3670	—	Ros (Principal Assembly coauthors Assembly Members Polanco and Statham) (Coauthors Assembly Members Bates, Elder, Farr, Friedman, Hansen, Hughes, Isenberg, Klehs, Moore, O'Connell, Royal-Allard, Speier, Tucker, Vasconcellos, Maxine Waters, and Norman Waters) (Coauthors Senators Bill Greene, Leroy Greene, Marks, Rosenthal, Torres, and Watson)
913	3221	—	Katz	980	—	2579	Bergeson (Principal coauthor Senator Robert) (Coauthors Senators Alquist, Bill Greene, McCorquodale, Morgan, Petris, Presley, Robbins, Seymour, Torres, Vuch, and Watson)
914	3332	—	Costa	981	4563	—	Margolin
915	3442	—	Chacon	982	3777	—	Wright and Bronzan (Principal coauthor Senator McCorquodale) (Coauthor
916	3489	—	Moore (Principal coauthor Assembly Member Costa) (Coauthor Assembly Member Polanco)				
917	3506	—	Bradley, Allen, Bronzan, and Wyman (Principal coauthor Senator Doolittle)				
918	3578	—	Moore				
919	3758	—	Strling				
920	3843	—	Costa				
921	936	—	McClintock and Johnston				
922	2513	—	Areas				
923	2791	—	Chacon				
924	2807	—	Duplussea				
925	2992	—	Katz				
926	3024	—	Cortese				
927	3039	—	Bradley				
928	3076	—	Strling				
929	3322	—	Duplussea				
930	4025	—	Hauser				
931	4032	—	Hansen				
932	4037	—	Hayden				
933	4064	—	Felando				
934	4110	—	Bradley				
935	4200	—	La Follette				
936	4217	—	Bronzan, Clute, Costa, Duplussea, Farr, Jones, and Norman Waters				
937	4269	—	Moore				
938	4339	—	Seastrand and Leonard (Coauthors Senators Maddy and Ayala)				
939	4345	—	La Follette				
940	4392	—	Wilhe Brown and Tanner				
941	2191	—	Chacon				
942	3058	—	Bader				
943	4699	—	Clute				
944	1197	—	Wilhe Brown and Hannigan (Principal coauthor Senator Lockyer)				
945	—	612	Presley (Coauthor Assembly Member Zeltner)				
946	656	—	Floyd				
947	2376	—	Statham				
948	3139	—	Leslie				
949	3214	—	Jones				

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983	—	2599	Senator Presley Seymour (Coauthor Senator Cecil Green) (Coauthors Assembly Members Filante, Leslie, Polanco, and Roybal-Allard)	1044	—	1920	Presley
984	—	2172	Campbell	1045	—	1920	Petrus (Coauthor Senator Ayala)
985	89	—	Elder	1046	—	2123	Rogers
986	2842	—	Statham (Principal coauthor Assembly Member Hauser)	1047	—	2189	Leroy Greene, Kopp, and McCorquodale (Coauthors Assembly Members Bron- zan, Connelly, and Mojonner)
987	3600	—	Farr, Cortese, Hansen, Hauser, Jones, Kel- ley, Peace, and Norman Waters	1048	—	2197	Cecil Green
988	3851	—	Duplissea	1049	—	2228	Markis (Coauthor Assembly Member Bane)
989	—	85	Alquist	1050	—	2248	Lockyer
990	—	1864	Rosenthal and Assembly Member Hayden	1051	—	2308	Maddy
991	—	2356	Ellis	1052	—	2337	Kopp
992	4384	—	Moore	1053	—	2348	McCorquodale
993	1562	—	Johnson	1054	—	2361	Bergeson
994	539	—	Katz (Principal coauthor Senator Robbins)	1055	—	2364	Bergeson (Coauthor Assembly Member Chandler)
995	912	—	Elder	1056	—	2371	Bergeson
996	1015	—	Hansen	1057	—	2396	Boatwright
997	1164	—	Speier	1058	—	2656	Rosenthal (Coauthors Assembly Members Burton and Speier)
998	1567	—	Norman Waters	1059	512	—	Allen (Coauthor Senator McCorquodale)
999	1958	—	Filante	1060	2458	—	Wyman
1000	2306	—	Connelly	1061	3188	—	Tanner
1001	2548	—	Harris, Bates, Eastin, Filante, Grsham, Hauser, and Moore (Coauthor Senator Campbell)	1062	3224	—	Norman Waters
1002	2605	—	Seastrand, Farr, Hansen, and O'Connell (Coauthor Senator Morgan)	1063	3616	—	Hansen
1003	2999	—	Speier	1064	4378	—	Hughes
1004	3752	—	Johnston (Principal coauthor Assembly Member Lewis)	1065	—	106	Dills
1005	3857	—	Harvey	1066	—	510	Seymour, Alquist, Kopp, Presley, Robbins, and Royce (Coauthors Assembly Mem- bers Cortese, Hauser, Longshore, Mojon- ner, Polanco, and Vasconcellos)
1006	3893	—	Harris	1067	—	554	McCorquodale
1007	4019	—	Filante	1068	—	573	Garamendi (Coauthor Assembly Member Johnston)
1008	4044	—	Katz	1069	—	1506	Markis
1009	4055	—	Farr	1070	—	1718	Lockyer
1010	4114	—	Norman Waters, Chacon, and O'Connell (Coauthors Senators Bill Greene, McCorquodale, and Petrus)	1071	—	1817	Bill Greene
1011	4230	—	Maxine Waters	1072	—	1826	Mello
1012	4606	—	Allen	1073	—	1832	Rosenthal
1013	—	804	McCorquodale	1074	—	1854	Robbins
1014	—	1869	Morgan (Principal coauthor Assembly Member Farr)	1075	—	1860	Presley
1015	—	1991	Robbins, Davis, Bill Greene, Presley, Rosen- thal, and Seymour (Principal coauthor Senator Montoya) (Coauthors Assembly Members Bane, Bradley, Chacon, Eastin, Filante, La Follette, Roos, and Zeltner)	1076	—	1885	Craven
1016	—	2034	Leroy Greene	1077	—	1958	Rogers
1017	—	2035	Mello	1078	—	1966	Davis (Principal coauthor Assembly Mem- ber Filante) (Coauthor Assembly Mem- ber Lancaster)
1018	—	2040	Robbins	1079	—	2424	Torres
1019	—	2054	Davis	1080	—	2430	Dills
1020	—	2124	Rogers (Coauthor Assembly Member Har- vey)	1081	—	2444	Davis
1021	—	2175	McCorquodale	1082	—	2467	Maddy
1022	—	2333	Kopp, Lockyer, and Petrus	1083	—	2569	Russell
1023	—	2476	Keene	1084	—	2576	Watson
1024	—	2686	Markis	1085	—	2437	Alquist
1025	—	2905	Markis	1086	—	2603	Presley
1026	—	2829	Bergeson	1087	—	2614	Russell
1027	347	—	Bane	1088	—	2643	Hart
1028	2991	—	Speier	1089	—	2648	Kopp
1029	3083	—	Cortese	1090	—	2657	Watson
1030	3184	—	Hughes	1091	—	2658	Watson
1031	3197	—	Wright	1092	—	2653	Doolittle
1032	3216	—	Frazee	1093	—	2708	Alquist
1033	3506	—	Bradley	1094	—	2751	Rosenthal
1034	3694	—	Harris	1095	—	2777	Beverly (Coauthor Assembly Member Chandler)
1035	3841	—	Eastin	1096	—	2789	Maddy
1036	4413	—	McClintock	1097	—	2812	Boatwright
1037	4634	—	Farr	1098	—	2861	Royce
1038	—	1145	Robbins	1099	—	2868	Presley
1039	—	1791	Rosenthal	1100	811	—	Floyd (Principal coauthor Senator Keene)
1040	—	1839	Ayala	1101	1301	—	Norman Waters
1041	—	1857	Russell	1102	2496	—	Friedman and Bates
1042	—	1893	Garamendi (Principal coauthor Assembly Member Campbell)	1103	2599	—	Hill
1043	—	1896	Rosenthal	1104	2938	—	Quackenbush
				1105	3628	—	Leslie (Coauthors Assembly Members Bronzan and Cortese) (Coauthors Sena- tors Ayala and Doolittle)
				1106	3744	—	Eastin (Principal coauthor Senator Berge- son)
				1107	4108	—	Jones
				1108	4123	—	Sher

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1109	4209	—	Roybal-Allard				Members Willie Brown, Hayden, and Nolan)
1110	4540	—	Cortese				
1111	—	678	Robbins	1158	—	1496	Torres
1112	—	1226	Mello	1159	—	1498	Presley
1113	—	1232	Seymour, Bergeson, Boatwright, Craven, Doolittle, Kopp, and Nielsen (Coauthors Assembly Members Arenas, Bader, Bane, Dennis Brown, Chandler, Clute, Duplisea, Elder, Ferguson, Filante, Frizzelle, Hansen, Katz, Longshore, McClintock, Mojonner, Quackenbush, Statham, and Wyman)	1160	—	1714	Lockyer
				1161	—	1716	Royce
				1162	—	2250	Rosenthal
				1163	—	2679	Cecil Green
1114	—	1744	Lockyer	1164	2366	—	The Joint Committee on Fisheries and Aquaculture (Principal coauthor Assembly Member Hauser) (Coauthors Assembly Members Costa, Farr, and Felando) (Coauthors Senators Keene and Marks)
1115	—	1749	Craven	1165	2790	—	Chandler (Principal coauthor Senator Doolittle)
1116	—	1974	Boatwright	1166	2854	—	Kelley
1117	—	1996	Beverly	1167	2913	—	O'Connell (Principal coauthor Assembly Member Willie Brown) (Coauthors Assembly Members Bane, Bates, Bronzan, Chacon, Clute, Connelly, Cortese, Eastin, Eaves, Elder, Farr, Hauser, Hughes, Klehs, Roybal-Allard, and Norman Waters) (Coauthors Senators Alquist, Boatwright, Craven, Cecil Green, Kopp, and McCorquodale)
1118	—	2126	Rogers	1168	2964	—	Frizzelle
1119	—	2145	Ayala	1169	2976	—	Jones
1120	—	2493	Russell	1170	2977	—	Jones
1121	—	2665	Doolittle	1171	2990	—	Hughes
1122	—	2822	Alquist	1172	3142	—	Cortese
1123	—	2875	Russell	1173	3263	—	Frazer
1124	3289	—	La Follette (Principal coauthor Assembly Member Wright)	1174	3480	—	Filante
1125	2534	—	Polanco	1175	3490	—	Moore (Principal coauthor Senator Rosenthal)
1126	2935	—	Quackenbush	1176	3508	—	Isenberg
1127	4363	—	Costa	1177	3536	—	Roybal-Allard (Principal coauthor Assembly Member Mojonner) (Coauthors Assembly Members Bradley, Dennis Brown, Chacon, Connelly, Cortese, Eastin, Filante, Frizzelle, Hansen, Hughes, La Follette, and Speier) (Coauthors Senators Bergeson, Marks, McCorquodale, Robbins, Seymour, Torres, and Vuoh)
1128	—	1803	Lockyer	1178	3671	—	Clute
1129	—	1813	Robbins (Principal coauthor Senator Marks) (Coauthor Senator Cecil Green) (Coauthors Assembly Members Chacon and Eastin)	1179	3979	—	McClintock
				1180	3707	—	Klehs
1130	—	1967	Robbins	1181	3762	—	Wright (Coauthor Senator Davis)
1131	—	1975	Davis	1182	4018	—	Filante
1132	—	2182	Bergeson (Principal coauthor Senator Craven)	1183	4240	—	Hannagan (Coauthor Senator Keene)
1133	—	2246	Lockyer	1184	4274	—	Bane (Principal coauthor Assembly Member Lancaster) (Coauthor Senator Keene)
1134	—	2334	Lockyer (Principal coauthor Assembly Member Ferguson)	1185	4294	—	Bronzan
1135	—	2428	Garamendi (Principal coauthor Assembly Member Katz)	1186	4373	—	La Follette
1136	—	1880	Davis	1187	4455	—	Cortese
1137	—	2350	Mello	1188	4496	—	Killea
1138	—	93	Montoya	1189	4511	—	Tanner
1139	—	2359	Roberts and Doolittle	1190	4529	—	Clute
1140	—	2398	Royce	1191	4546	—	Roos (Principal coauthor Senator Rosenthal) (Principal coauthors Assembly Members Friedman and Tucker)
1141	—	2212	McCorquodale	1192	4587	—	Leslie
1142	—	2160	Royce	1193	4601	—	Elder
1143	—	2317	Roberts	1194	4616	—	Lancaster
1144	26	—	Hauser (Principal coauthor Assembly Member Farr) (Coauthors Assembly Members Arenas, Chandler, Condit, Cortese, Costa, Duplisea, Hansen, Harvey, Jones, Leslie, Statham, Norman Waters, Wright, and Wyman)	1195	4641	—	Elder
1145	982	—	Costa (Principal coauthors Assembly Members Johnston, Katz, and Kelley)	1196	—	1064	McCorquodale
1146	1457	—	Farr	1197	—	2504	Davis
1147	2722	—	Eastin (Principal Assembly coauthor Assembly Member Bane) (Principal Senate coauthor Senator Lockyer) (Coauthor Assembly Member Bates) (Coauthor Senator Boatwright)	1198	1535	—	Leslie (Principal coauthors Assembly Members Willie Brown and Nolan)
1148	4042	—	Katz	1199	2841	—	Harris
1149	4391	—	Willie Brown	1200	3830	—	Willie Brown
1150	—	25	Morgan (Principal coauthor Assembly Member Sher)	1201	3994	—	Bane
1151	—	219	Ellis (Principal coauthor Assembly Member Mojonner)	1202	4642	—	Bronzan
1152	—	888	Bill Greene	1203	4644	—	Cortese
1153	—	901	Russell	1204	—	1735	Lockyer (Principal coauthor Senator Campbell) (Principal coauthor Assembly Member Killea)
1154	—	1002	Doolittle, Montoya, Richardson, and Russell (Coauthors Assembly Members Bane, Chandler, Longshore, and Statham)	1205	—	1420	Lockyer
1155	—	1198	Marks and Craven (Principal coauthor Assembly Member Bates)	1206	—	2046	Campbell
1156	—	1326	Robbins				
1157	—	1405	Roberts (Principal coauthor Senator Nielsen) (Principal coauthors Assembly				

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1207	—	2374	Lockyer				Torres, and Watson)
1208	—	2537	Craven	1257	—	1617	McCorquodale, Montoya, and Robert (Coauthors Assembly Members Nolan, Roos, and Stirling)
1209	—	2549	Keene and Maddv	1258	—	1807	Morgan
1210	—	2639	Doolittle	1259	—	1715	Boatwright, Lockyer, and Petrus
1211	—	2891	Vuich, Maddy, and Assembly Members Bronzan, Costa, and Jones	1260	—	1797	Torres and Marks
1212	3446	—	Elder and Duplussea	1261	—	1844	Russell (Principal coauthor Senator Mon- toya) (Principal coauthor Assembly Member Jones) (Coauthors Senators Ayala, Bergeson, Campbell, Craven, Da- vus, Deddeh, Doolittle, Ellis, Cecil Green, Leroy Greene, Kopp, Morgan, Nielsen, Presley, Rogers, Royce, and Seymour) (Coauthors Assembly Members Allen, Baker, Bane, Bradley, Chandler, Condit, Costa, Eaves, Ferguson, Filante, Friz- zelle, Hansen, Harvey, Hauser, Hill, Hughes, Johnson, La Follette, Lancaster, Leslie, Longshore, Mojonner, Mounjoy, Polanco, Seastrand, Statham, Tucker, Wyman, and Zeltner)
1213	—	1532	Kopp (Coauthor Assembly Member Fi- lante)	1262	—	1931	Campbell and Vuich (Coauthors Assembly Members Dennis Brown and Leonard)
1214	—	2675	Cecil Green	1263	—	2008	Bergeson
1215	—	2732	Rosenthal	1264	—	2073	Cecil Green, Alquist, Campbell, Bill Greene, Mello, Robbins, Russell, and Sey- mour (Coauthors Assembly Members Roybal-Allard, Bradley, Dennis Brown, Eastin, Filante, Hansen, Hauser, La Fol- lette, McClintock, Speier, Statham, and Zeltner)
1216	—	2788	Maddy	1265	—	2272	Vuich
1217	—	2818	Lockyer	1266	—	2698	Davis
1218	—	2830	Bergeson	1267	4365	—	Cortese and Bradley
1219	—	2859	Royce	1268	4264	—	Duplussea
1220	—	2894	Bergeson (Principal coauthor Assembly Member Peace)	1269	4459	—	Harris, Calderon, and Peace (Coauthor Senator Keene)
1221	3675	—	Bane	1270	2707	—	Hughes
1222	3722	—	O'Connell	1271	2878	—	Elder (Principal coauthor Assembly Mem- ber Mojonner) (Coauthors Assembly Members Baker, Bane, Bradley, Dennis Brown, Clute, Cortese, Costa, Eastin, Fi- lante, Grsham, Hansen, Hill, Hughes, Katz, La Follette, Leslie, McClintock, Polanco, Speier, Statham, and Zeltner) (Coauthors Senators Campbell, Dills, Cecil Green, Bill Greene, Kopp, McCor- quodale, Montoya, Nielsen, Presley, Royce, and Seymour)
1223	3803	—	Floyd	1272	2925	—	Isenberg
1224	3985	—	Tucker	1273	2926	—	Hansen
1225	4663	—	Hauser and Harvey (Coauthor Senator Bill Greene)	1274	2997	—	Floyd
1226	—	2275	Seymour	1275	3066	—	Polanco
1227	—	1942	Craven	1276	3091	—	Bane (Coauthors Assembly Members Gr- sham, Harris, Mojonner, Mounjoy, Polanco, Statham, Tanner, and Norman Waters)
1228	—	2446	Davis, Robbins, Rosenthal, and Ayala (Coauthor Senator Presley) (Coauthors Assembly Members Bane, La Follette, O'Connell, and Wright)	1277	3095	—	Mojonner
1229	—	2357	Ellis (Coauthor Assembly Member Hans- en)	1278	3156	—	Allen
1230	—	2465	Watson	1279	3305	—	Johnston, Lancaster, and Wright (Principal coauthor Assembly Member Johnson)
1231	3165	—	Klehs and Roos	1280	3439	—	Margolin
1232	3180	—	Cortese	1281	3454	—	Johnson
1233	4058	—	Isenberg and Seastrand (Coauthor Senator Bill Greene)	1282	3509	—	Isenberg
1234	4132	—	Floyd	1283	3514	—	Norman Waters
1235	—	217	Kopp	1284	3535	—	Maxine Waters and Leonard (Coauthor Senator Watson)
1236	—	2076	Alquist	1285	3776	—	Hauser
1237	—	2604	Presley	1286	4653	—	Tanner
1238	—	2872	Dills	1287	2873	—	Costa
1239	—	722	Hart, Morgan, and Seymour (Coauthors As- sembly Members Eastin, Klehs, and Les- lie)	1288	—	2001	Keene
1240	200	—	Clute, Bane, Willie Brown, Calderon, Cha- con, Costa, Elder, Farr, Floyd, Grsham, Hannigan, Hansen, Isenberg, Katz, Kel- ley, Killea, Longshore, Margolin, Mojon- ner, O'Connell, Speier, Statham, Tucker, Norman Waters, and Zeltner (Coauthors Senators Alquist, Ayala, Bill Greene, Craven, Davis, Dills, Leroy Greene, Keene, Kopp, McCorquodale, Presley, Rosenthal, Seymour, and Torres)	1289	—	2064	Craven (Coauthor Assembly Member Hauser)
1241	1096	—	Norman Waters	1290	—	2184	Robbins
1242	2013	—	Moore (Principal coauthor Senator Rob- bins) (Coauthors Senators Cecil Green, Lockyer, Torres, and Watson)	1291	—	2198	Cecil Green and Campbell (Principal coau- thors Assembly Members Allen and Calderon) (Coauthors Assembly Mem- bers Frazee and Hill)
1243	2374	—	Statham and Bronzan				
1244	2418	—	Clute				
1245	2617	—	Harris				
1246	3310	—	Harris				
1247	3414	—	Longshore (Principal coauthor Assembly Member Zeltner) (Coauthor Assembly Member Stirling) (Principal coauthor Senator Cecil Green)				
1248	3451	—	O'Connell				
1249	3550	—	Maxine Waters				
1250	3723	—	Katz, Floyd, Hayden, and Hughes (Coau- thor Senator Leroy Greene)				
1251	—	502	Royce (Coauthor Senator Nielsen)				
1252	—	164	Maddy (Principal coauthor Senator Pres- ley)				
1253	—	728	Robbins				
1254	—	1300	Campbell				
1255	—	1529	Rogers and Vuich (Coauthors Assembly Members Harvey and Wyman)				
1256	—	1555	Robbins and Assembly Member Moore (Coauthors Senators Cecil Green,				

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1292	—	2232	Seymour (Coauthors Senators Craven, Bill Greene, Marks, McCorquodale, Rosenthal, Torres, Watson, Kopp, Robbins, Bergeson, Nielsen, and Campbell) (Coauthors Assembly Members Baker, Bronzan, Filante, Hauser, Floyd, Frizzelle, Margolin, Polanco, Speer, Vasconcellos, Connelly, Farr, Bader, Hill, and Leslie)	1333	—	2289	Caramendi
1293	—	2258	Cecil Green	1334	—	2304	Dills
1294	—	2259	Robbins	1335	—	2316	Dills
1295	—	2273	Hart	1336	—	2345	Lockyer
1298	—	2709	Alquist and McCorquodale	1337	—	2394	Russell (Coauthors Assembly Members Frizzelle, Lancaster, Longshore, and Wyman)
1297	—	2753	Royce and Seymour (Principal coauthors Assembly Members Allen and Frizzelle)	1338	—	2497	Maddy (Principal coauthor Assembly Member Willie Brown)
1298	—	2758	Marks	1339	—	2578	Robbins (Coauthors Senators Alquist, Campbell, Davis, Bill Greene, McCorquodale, Montoya, and Vuch) (Coauthors Assembly Members Bane, Bradley, Easton, Peace, and Zeltner)
1299	—	2824	Vuch (Coauthor Assembly Member Bronzan)	1340	—	2640	Vuch
1300	—	2838	Leroy Greene	1341	—	2689	Keene
1301	—	2834	Watson	1342	—	2760	Robbins (Principal coauthor Senator Mello) (Principal coauthor Assembly Member Roos) (Coauthors Assembly Members Johnston, Sher, Wright, La Follette, Farr, Chacon, Elder, Bane, and Hughes)
1302	—	2871	Marks	1343	3756	—	Shirling
1303	—	294	Boatwright	1344	4250	—	Bronzan
1304	2818	—	La Follette	1345	3396	—	Hauser
1305	3465	—	Hansen	1346	857	—	Quackenbush, Areias, Costa, Farr, and Zeltner (Coauthors Senators Maddy and Morgan)
1306	3473	—	Filante	1347	2809	—	Speer
1307	3494	—	Maxine Waters (Coauthor Assembly Member Harvey)	1348	—	2174	Maddy
1308	3572	—	Costa and Burton	1349	352	—	Duplussea
1309	3638	—	Bradley	1350	1862	—	Norman Waters
1310	3696	—	Harris	1351	3417	—	Hughes
1311	3706	—	Polanco (Coauthor Senator Russell)	1352	3730	—	Royal-Allard
1312	3818	—	Bader	1353	4671	—	Elder (Coauthor Senator Rosenthal)
1313	3829	—	Moore	1354	—	49	Mello and Cecil Green (Coauthor Assembly Member Sher)
1314	3871	—	Bates	1355	—	148	Bergeson
1315	3917	—	Johnston, Bradley, Farr, Katz, Klehs, Peace, Roos, Speer, and Tucker (Coauthors Senators Kopp and McCorquodale)	1356	—	275	Russell
1316	4066	—	Clute, Hughes, Moore, Royal-Allard, and Speer (Coauthor Senator Vuch)	1357	—	1204	McCorquodale
1317	4129	—	Hayden	1358	—	1475	Mello and Robert (Principal coauthor Senator Vuch) (Coauthors Senators Boatwright and McCorquodale)
1318	4260	—	Quackenbush and Senator Robbins (Principal coauthors Assembly Members Duplussea and Farr) (Principal coauthor Senator Caramendi)	1359	—	1580	Beverly
1319	4292	—	Bronzan (Principal coauthor Senator Caramendi)	1360	—	1600	Caramendi
1320	4317	—	Connelly (Principal coauthor Senator Cecil Green) (Coauthors Assembly Members Hauser, Elder, and Bronzan)	1361	—	1802	Mello and Cecil Green
1321	4328	—	La Follette (Coauthor Assembly Member Frazee)	1362	—	1882	Morgan and Hart (Principal coauthor Assembly Member Allen) (Coauthors Senators Bergeson, Cecil Green, Bill Greene, Keene, Nielsen, and Seymour) (Coauthors Assembly Members Clute, Duplussea, Farr, Filante, O'Connell, Quackenbush, Speer, and Vasconcellos)
1322	4329	—	Frazee	1363	—	2048	Seymour, Bergeson, Cecil Green, and Royce (Coauthors Assembly Members Dennis Brown, Ferguson, Johnson, and Lewis)
1323	4405	—	Killea	1364	—	2049	Seymour, Bergeson, Cecil Green, and Royce (Coauthors Assembly Members Dennis Brown, Ferguson, Johnson, and Lewis)
1324	4462	—	Harris, Bader, and Costa	1365	—	2254	Mello and Kopp
1325	4542	—	Johnson and Zeltner	1366	—	2203	Robert
1326	4649	—	Bronzan (Principal coauthors Assembly Members Bradley and Cortese) (Coauthors Assembly Members Bates, Chacon, Chandler, Duplussea, Farr, Ferguson, Filante, Hauser, Leslie, Longshore, Speer, Statham, and Wyman) (Coauthors Senators Boatwright, Bill Greene, Petrus, and Presley)	1367	—	2408	Kopp
1327	4683	—	Grisham	1368	—	2492	Beverly (Principal coauthor Senator Presley)
1328	—	170	Mello and Cecil Green (Principal coauthor Senator Robbins) (Coauthors Assembly Members Bane, Connelly, Chacon, Clute, Elder, Farr, Hughes, Johnston, La Follette, Sher, and Wright)	1369	—	2639	Vuch
1329	—	172	Davis (Coauthor Assembly Member Johnston)	1370	—	2763	Marks
1330	—	186	Montoya	1371	—	2523	Presley
1331	—	2097	Petrus	1372	—	2601	Caramendi
1332	—	2223	Caramendi (Principal coauthor Senator Alquist) (Principal coauthor Assembly Member Farr) (Coauthors Senators Alquist, Dills, Leroy Greene, Petrus, and Rosenthal) (Coauthors Assembly Members Costa, Duplussea, Easton, Farr, Killea, Quackenbush, and Vasconcellos)	1373	—	83	Presley (Principal coauthor Assembly Member Harris) (Coauthors Senators Seymour and Torres)
				1374	3273	—	Filante, Clute, Hansen, La Follette, Longshore, and Zeltner (Coauthor Senator Seymour)
				1375	3121	—	Chandler (Coauthor Senator Doolittle)
				1376	1196	—	Wright
				1377	2698	—	Speer (Coauthors Assembly Members Allen, Bane, Chacon, Easton, Farr, Ferguson, Filante, Hughes, Killea, Klehs, La Fol-

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1378	—	5	lette, Mojonner, Moore, Polanco, Roybal-Allard, Tanner, Maxine Waters, and Wright) (Principal coauthor Senator McCorquodale) (Coauthors Senators Bill Greene, Lockyer, Marks, Morgan, Petrus, Presley, Robert, Torres, Vuch, and Watson)	1411	—	704	ie, McClintock, Mojonner, Polanco, Seastrand, Statham, Vasconcellos, Norman Waters, Wright, and Wyman)
			Deddeh (Principal coauthors Senators Russell and Nielsen) (Principal coauthor Assembly Member La Follette) (Coauthors Senators Avala, Bergeson, Campbell, Davis, Doolittle, Ellis, Leroy Greene, McCorquodale, Montoya, Morgan, Presley, Rogers, Royce, Seymour, and Torres) (Coauthors Assembly Members Allen, Areias, Bader, Baker, Bane, Bradley, Dennis Brown, Chacon, Chandler, Clute, Condit, Cortese, Costa, Dupuissea, Eaves, Felando, Ferguson, Filante, Frazee, Frizzelle, Grisham, Hansen, Harvey, Hill, Johnson, Jones, Katz, Kelley, Killea, Lancaster, Leonard, Leslie, Lewis, Longshore, McClintock, Mojonner, Mounjoh, Nolan, Peace, Polanco, Seastrand, Statham, Tucker, Norman Waters, Wright, Wyman, and Zeltner)	1412	—	957	Lockyer
1379	1669	—	Johnston	1413	—	1374	Presley
1390	1983	—	Margolin	1414	—	1884	Seymour
1381	2049	—	Speier	1415	—	1902	Morgan
1382	2545	—	Harris, Bates, Eastin, Filante, Grisham, Hauser, and Moore (Coauthor Senator Campbell)	1416	—	2090	Davis
1383	2704	—	Clute	1417	—	2083	Torres and Boatwright (Principal coauthor Assembly Member La Follette)
1384	2705	—	Katz, Friedman, O'Connell, La Follette, Speier, and Tanner (Coauthors Assembly Members Willie Brown, Bane, Chacon, Eastin, and Roybal-Allard) (Coauthor Senator Robert)	1418	—	2201	Cecil Green
1385	2765	—	Maxine Waters	1419	—	2233	Seymour
1386	2768	—	Maxine Waters	1420	—	2555	Hart (Coauthor Assembly Member Hayden)
1387	3005	—	La Follette	1421	—	2755	Royce
1388	3081	—	Hauser	1422	—	2775	Robert
1389	3206	—	Tanner	1423	—	2885	Robert and Bergeson (Coauthor Assembly Member Chacon)
1390	3269	—	Filante	1424	—	2213	Craven (Coauthor Assembly Member Frazee)
1391	3462	—	Cortese	1425	—	2670	Doolittle
1392	3568	—	Polanco	1426	35	—	Katz (Principal coauthor Senator Boatwright) (Coauthors Assembly Members Hansen and Seastrand)
1393	3606	—	Norman Waters (Coauthor Senator Doolittle)	1427	1239	—	Moore and Dupuissea
1394	3625	—	Zeltner	1428	1649	—	Sher and O'Connell
1395	3699	—	Harris (Coauthor Senators Lockyer and Keene)	1429	2487	—	Hauser and Zeltner
1396	3703	—	Tucker	1430	2983	—	La Follette
1397	3771	—	Leslie, Bane, Bradley, Dupuissea, Felando, Filante, Grisham, Harvey, Longshore, Vasconcellos, Wyman, and Zeltner (Coauthors Senators Bergeson, Doolittle, Bill Greene, and Seymour)	1431	4613	—	Sher
1398	3835	—	Norman Waters (Principal coauthor Senator Cecil Green)	1432	—	257	Watson (Principal coauthor Assembly Member Mojonner) (Coauthors Assembly Members Burton and Campbell) (Coauthor Senator Marks)
1399	3844	—	Frizzelle	1433	—	2015	Deddeh
1400	3886	—	Wyman and Harvey (Coauthor Senator Rogers)	1434	—	2628	Morgan and Kopp (Principal coauthor Assembly Member Dupuissea)
1401	3946	—	La Follette	1435	—	2723	Seymour (Coauthor Senator Vuch) (Principal Assembly coauthors Assembly Members Leonard and Johnson)
1402	4096	—	Hill	1436	—	283	Rosenthal (Principal coauthor Senator Robert) (Principal coauthor Assembly Member Hauser)
1403	4112	—	Bradley	1437	—	1904	Morgan (Principal coauthor Senator Presley) (Principal coauthors Assembly Members Filante and Katz) (Coauthors Senators Beverly, Robbins, and Seymour)
1404	4138	—	Polanco	1438	—	2016	Cecil Green (Principal coauthor Assembly Member Allen)
1405	4213	—	Maxine Waters (Principal coauthor Senator Beverly)	1439	2827	—	Leslie (Principal Assembly coauthor Assembly Member Norman Waters)
1406	4252	—	Sher	1440	2866	—	La Follette
1407	4283	—	Shrling	1441	—	175	Maddy
1408	4351	—	Cortese	1442	—	1306	Morgan and Seymour (Coauthors Assembly Members Allen, Eastin, Farr, Filante, Harvey, La Follette, McClintock, Mojonner, Moore, Speier, Statham, and Tanner)
1409	4426	—	Ferguson	1443	610	—	Maxine Waters
1410	—	1	Doolittle (Coauthors Senators Bergeson, Montoya, Presley, Richardson, Robbins, and Royce) (Coauthors Assembly Members Allen, Bane, Bradley, Dennis Brown, Chacon, Condit, Cortese, Eaves, Ferguson, Filante, Frizzelle, La Follette, Les-	1444	2205	—	Speier
				1445	3286	—	La Follette
				1446	3344	—	Tanner
				1447	3655	—	Harris
				1448	4007	—	Lancaster
				1449	4290	—	Bronzan
				1450	4554	—	Roybal-Allard (Principal coauthor Senator Montoya)
				1451	—	1390	Morgan
				1452	—	1809	Morgan, Alquist, and Mello (Coauthor Assembly Member Cortese)
				1453	—	1964	Robbins
				1454	—	2185	Cecil Green
				1455	—	2255	McCorquodale
				1456	—	2282	Presley
				1457	—	2431	Garamendi
				1458	—	2450	Vuch
				1459	—	2687	Campbell
				1460	—	2696	Dills

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1461	3403	—	O'Connell	1506	—	2059	Seymour
1462	—	1677	Presley (Principal coauthor Senator Keene) (Coauthors Senators Dills, Garamendi, Lockyer, McCorquodale, Petrus, and Rosenthal) (Coauthor Assembly Member Vasconcellos)	1506	—	2594	Deddeh and Assembly Member Duplussea
1463	2785	—	Nolan (Principal coauthor Assembly Member Manne Waters) (Principal coauthor Senator Boatwright) (Coauthors Assembly Members Baker, Bradley, Dennis Brown, Chacon, Chandler, Clute, Cortese, Costa, Duplussea, Felando, Filante, Fuzzelle, Hansen, Harvey, Katz, Kelley, La Follette, Leonard, Leslie, Lewis, Longshore, McClintock, Mojonner, Polanco, Quackenbush, Statham, Wright, and Zeltner) (Coauthors Senators Campbell, Dills, Doolittle, Montoya, Robbins, Rogers, Royce, and Seymour)	1510	—	2740	Kopp
1464	2764	—	Nolan	1511	—	2782	Marks
1465	—	1801	Morgan	1512	—	2858	Keene
1466	243	—	Bane	1513	—	2874	Ayala
1467	3945	—	Hauser	1514	2653	—	Friedman
1468	4154	—	McClintock, La Follette, and O'Connell (Coauthor Senator Davis)	1515	—	2266	Senators Garamendi, Alquist, Bergeson, Bill Greene, Maddy, Petrus, Presley, Rogers, and Watson (Principal coauthor Assembly Member Farr) (Coauthors Assembly Members Clute, Eastin, Johnston, Klehs, Mojonner, Nolan, O'Connell, and Spener)
1469	—	1685	Keene	1516	847	—	Allen (Principal coauthors Senators Bill Greene and Seymour) (Coauthors Assembly Members Bradley, Campbell, Duplussea, Ferguson, Fuzzelle, Hansen, Harvey, La Follette, Longshore, Mojonner, and Spener) (Coauthors Senators Bergeson, Dills, Cecil Green, and Morgan)
1470	—	2186	Morgan	1517	2678	—	Allen (Principal coauthor Assembly Member Polanco) (Coauthor Senator Robbins)
1471	—	2269	Melo	1518	2930	—	Sher
1472	—	2381	Deddeh (Coauthor Assembly Member Duplussea)	1519	3382	—	Quackenbush
1473	—	2768	Robbins	1520	4486	—	Stirling and Vasconcellos
1474	2680	—	Duplussea (Principal coauthor Assembly Member Quackenbush) (Coauthors Assembly Members Farr, Felando, and Filante) (Coauthors Senators Beverly and Marks)	1521	—	2260	Keene and Maddy (Coauthors Assembly Members Bronzan, Hughes, Johnston, and La Follette)
1475	3673	—	Clute	1522	2863	—	La Follette
1476	3804	—	Mountjoy	1523	3006	—	Connelly (Coauthor Assembly Member Johnston)
1477	4463	—	Harris	1524	3065	—	Polanco and Duplussea
1478	4536	—	Polanco	1525	4347	—	Manne Waters and Polanco
1479	—	1782	Presley	1526	4448	—	Margolin and Roos
1480	—	2295	Garamendi	1527	—	2136	Davis
1481	—	2515	Robert	1528	—	1730	Dills (Principal coauthor Senator Alquist)
1482	—	2667	Doolittle	1529	2766	—	Hauser
1483	2412	—	Filante	1530	980	—	Costa, Bane, Bronzan, Eaves, Harvey, Isenberg, Johnston, Jones, Leslie, and Polanco (Coauthors Senators Garamendi, Maddy, Presley, Torres, and Vuch)
1484	2760	—	Manne Waters	1531	1592	—	Polanco
1485	2763	—	Vasconcellos	1532	2327	—	Killea
1486	3220	—	Katz	1533	2494	—	Friedman (Coauthor Senator Rosenthal)
1487	3423	—	Costa	1534	2717	—	Klehs
1488	3554	—	Johnston	1535	2737	—	Manne Waters, Campbell, Chacon, Eastin, Hanmigan, Hauser, Hughes, Mojonner, Moore, Roybal-Allard, Spener, Stirling, Vasconcellos, and Zeltner (Coauthors Senators Cecil Green, Bill Greene, Presley, and Torres)
1489	3901	—	Roos and Farr	1536	2774	—	Floyd
1490	3962	—	Friedman	1537	3364	—	Roos
1491	3969	—	Hauser	1538	3471	—	Filante
1492	4162	—	Katz (Principal coauthor Senator Maddy) (Coauthor Assembly Member La Follette) (Coauthor Senator Deddeh)	1539	3873	—	Costa, Hauser, and Kelley (Principal coauthor Senator McCorquodale) (Coauthors Senators Maddy and Presley)
1493	4219	—	Bronzan (Principal coauthor Assembly Member Farr) (Coauthors Assembly Members Hansen, Hauser, Isenberg, Norman Waters, and Wyman)	1540	3961	—	Baker, Bates, and Ferguson (Coauthors Senators Keene, Kopp, Presley, Robbins, and Seymour)
1494	4301	—	Campbell	1541	4355	—	Connelly (Principal coauthor Assembly Member Leslie) (Coauthor Assembly Member Fuzzelle)
1495	4310	—	Eastin	1542	—	1713	Leroy Greene
1496	—	840	Torres	1543	—	1855	Mello
1497	—	2457	Russell	1544	—	1997	Presley
1498	259	—	Friedman	1545	—	2261	Keene (Principal coauthor Assembly Member Hauser) (Coauthor Assembly Member Costa)
1499	303	—	Leonard, Bader, Campbell, Clute, Farr, Friedman, Hayden, Hughes, Johnston, La Follette, Longshore, O'Connell, Quackenbush, and Statham	1546	—	2297	Rosenthal
1500	1890	—	Hauser (Coauthor Senator Keene)	1547	—	2325	Garamendi (Principal coauthor Assembly Member Johnston)
1501	3245	—	Campbell	1548	—	2326	Campbell
1502	3713	—	Connelly	1549	—	2462	Kopp (Coauthors Assembly Members Duplussea and Spener)
1503	3798	—	Floyd	1550	—	2510	Robbins
1504	3799	—	Vasconcellos, Dennis Brown, Eastin, and Klehs				
1505	4597	—	Farr				
1506	4420	—	Sher				
1507	—	1910	Campbell and Torres (Coauthor Assembly Member Cortese)				

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1551	—	2519	Rosenthal				thors Senators Bill Greene and Torres
1552	—	2568	Davis	1550	3212	—	Jones
1553	3134	—	Harris	1591	3842	—	Farr (Principal coauthor Assembly Member Vasconcellos) (Principal coauthor Senator Alquist) (Coauthors Assembly Members Bane, Bradley, Bronzan, Dennis Brown, Calderon, Chacon, Cortese, Costa, Duplussea, Eastin, Eaves, Ferguson, Hansen, Hauser, Hill, Hughes, Killea, Lancaster, Leonard, Mojonner, O'Connell, Peace, Quackenbush, Roos, Seastrand, Speier, Wright, Wyman, and Zeltner) (Coauthors Senators Craven, Deddeh, Kopp, Maddy, Marks, Presley, Robbins, Royce, Russell, and Seymour)
1554	953	—	Zeltner, Chandler, Filante, and Statham				
1555	2892	—	Vasconcellos				
1556	4023	—	Filante				
1557	3319	—	Duplussea				
1558	4440	—	Cortese				
1559	—	2594	Ellis	1592	4012	—	Costa
1560	4686	—	Isenberg, Connelly, and Hayden (Coauthor Senator Garamendi)	1593	4109	—	Zeltner
1561	—	2181	Campbell	1594	—	1533	Keene
1562	3520	—	Tanner	1595	—	2229	Marks
1563	4625	—	La Follette	1596	—	2876	Seymour
1564	4567	—	Ferguson and Polanco	1597	—	1007	Doolittle, Richardson, and Russell (Coauthor Senator Royce) (Coauthors Assembly Members Bane, Chandler, Longshore, Seastrand, and Statham)
1565	4566	—	Polanco and Ferguson				
1566	3482	—	Filante	1598	1201	—	Cortese and Moore
1567	—	2799	Davis	1599	1315	—	Polanco
1568	2595	—	Sher (Principal coauthor Senator Robert) (Coauthors Senators Alquist, McCorquodale, and Mello)	1600	1732	—	Isenberg, Agnos, and Felando
1569	3971	—	Cortese, Harris, and Sher (Coauthor Senator Alquist)	1601	3753	—	Johnston, Willie Brown, Costa, Eastin, Eaves, Farr, Hauser, Hughes, O'Connell, and Vasconcellos (Coauthors Senators Cecil Green, Marks, and Petrus)
1570	—	2154	Petrus (Principal coauthor Assembly Member Crusham) (Coauthor Assembly Member Chacon)	1602	1504	—	Hauser
1571	—	2827	Leroy Greene	1603	3686	—	Mojonner (Principal coauthor Senator Ayala)
1572	—	2741	Kopp	1604	4235	—	Isenberg
1573	2788	—	Harris and Katz (Principal coauthor Senator Nielsen) (Coauthors Assembly Members Baker, Dennis Brown, Chacon, Condit, Eastin, La Follette, Mojonner, Statham, Tucker, and Wyman) (Coauthors Senators Bill Greene, Rosenthal, and Seymour)	1605	—	1795	Robert (Principal coauthor Senator Rosenthal) (Coauthors Senators Dills, Cecil Green, Bill Greene, Marks, Mello, Torres, and Watson) (Coauthors Assembly Members Bane, Chacon, Cortese, Eastin, Moore, O'Connell, Roybal-Allard, and Speier)
1574	2833	—	Katz and Harris (Principal coauthor Senator Nielsen) (Coauthors Assembly Members Baker, Bane, Dennis Brown, Costa, Eastin, Eaves, Elder, Ferguson, Filante, Hauser, La Follette, McClintock, Mojonner, Peace, Statham, Tucker, and Wyman) (Coauthors Senators Dills, Bill Greene, Marks, Robbins, and Royce)	1606	—	2407	Alquist (Principal coauthor Assembly Member Farr) (Coauthors Senators Ellis, Kopp, Maddy, Marks, Presley, Robbins, Royce, Russell, and Seymour) (Coauthors Assembly Members Bane, Dennis Brown, Chacon, Cortese, Costa, Duplussea, Eaves, Ferguson, Hauser, Hill, Leonard, Mojonner, Quackenbush, Speier, Tucker, Vasconcellos, and Wyman)
1575	3483	—	Filante (Principal coauthor Senator Robert)	1607	—	2591	Hart
1576	—	949	Seymour, McCorquodale, and Petrus (Coauthors Assembly Members Chacon, Clute, Ferguson, Frizzelle, and Longshore)	1608	—	2100	Presley
1577	—	1019	Watson (Coauthor Senator Leroy Greene) (Coauthors Assembly Members Arenas, Bradley, and Roybal-Allard)	1609	—	2344	Lockyer
1578	—	1092	Campbell	1610	—	2117	Leroy Greene (Principal coauthor Assembly Member Polanco)
1579	—	1913	Presley, Davis, Bill Greene, Russell, and Vuch (Coauthors Assembly Members Bane, Bradley, Eaves, Farr, McClintock, Mojonner, and Peace)	1611	3285	—	Maxine Waters
1580	4585	—	Polanco	1612	3243	—	Campbell
1581	—	2847	Hart (Principal coauthor Assembly Member Vasconcellos) (Coauthors Senators Leroy Greene, Marks, McCorquodale, Robbins, Rosenthal, and Watson) (Coauthors Assembly Members Bane, Clute, Farr, Friedman, Harris, Hayden, Klehs, Margolin, Roybal-Allard, and Speier)	1613	3590	—	Clute
1582	3255	—	Jones (Principal coauthor Senator Nielsen) (Coauthors Assembly Members Bradley, Ferguson, Frizzelle, La Follette, Longshore, McClintock, Peace, Seastrand, Statham, and Zeltner) (Coauthors Senators Presley and Vuch)	1614	—	1724	Presley
1583	582	—	Harris	1615	1643	—	Chandler, Arenas, Bane, Campbell, Costa, Frizzelle, Harvey, Hill, Jones, McClintock, and Statham (Coauthors Senators Doolittle, Petrus, and Robert)
1584	4020	—	Sher (Principal coauthors Senator Kopp and Assembly Member Duplussea)	1616	2597	—	Hill (Principal coauthor Senator Maddy)
1585	2189	—	Maxine Waters and La Follette	1617	3223	—	Mojonner
1586	2706	—	Katz	1618	3519	—	Johnson
1587	3192	—	Elder	1619	4005	—	Bradley
1588	2831	—	La Follette, Bradley, Eastin, Farr, Hill, and Longshore	1620	4233	—	Hannigan
1589	3205	—	Maxine Waters, Killea, and Tanner (Coauthors Senators Bill Greene and Torres)	1621	4229	—	Bronzan
				1622	4299	—	Campbell
				1623	—	4	Presley
				1624	—	712	Boatwright
				1625	—	2104	Ellis
				1626	—	1989	Presley
				1627	—	2347	Vuch (Principal coauthor Senator Seymour)
				1628	—	2388	Campbell
				1629	—	2622	Presley

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1	SCA 35	Keene			
2	SCR 61	Vuch, Alquist, Ayala, Bergeson, Beverly, Boatwright, Campbell, Craven, Davis, Deddeh, Dills, Doolittle, Ellis, Garamendi, Cecil Green, Kopp, Maddy, Marks, McCorquodale, Mello, Morgan, Nielsen, Presley, Roberti, Rogers, Royce, Russell, Seymour, and Watson	14	ACR 106	Kopp, Lockyer, Maddy, Marks, McCorquodale, Mello, Montoya, Morgan, Nielsen, Petris, Presley, Richardson, Robbins, Rosenthal, Royce, Russell, Seymour, Torres, Vuch, and Watson)
3	AJR 21	Johnston			
4	ACR 79	Shrling (Principal coauthor Senator Ellis) (Coauthors Assembly Members Bradley, Chacon, Frazee, Killea, and Peace) (Coauthors Senators Craven and Deddeh)			Katz, Allen, Areias, Bader, Baker, Bane, Bates, Bradley, Bronzan, Willie Brown, Calderon, Chacon, Chandler, Clute, Condit, Connelly, Cortese, Costa, Duplissea, Eastin, Eaves, Elder, Farr, Felando, Ferguson, Filante, Floyd, Frazee, Friedman, Frizzelle, Grsham, Hannagan, Hansen, Harris, Harvey, Hauser, Hayden, Hill, Hughes, Isenberg, Johnson, Johnston, Jones, Kelley, Killea, Klehs, La Follette, Lancaster, Leonard, Leslie, Lewis, Longshore, Margolin, McClintock, Mojonner, Moore, Mountjoy, Nolan, O'Connell, Peace, Polanco, Quackenbush, Roos, Roybal-Allard, Seastrand, Speier, Statham, Strling Norman Waters, Wright, Wyman, and Zeltner (Principal coauthor Senator Alquist)
5	AJR 18	Ferguson, Allen, Bradley, Dennis Brown, Kelley, Leonard, Longshore, McClintock, Quackenbush, and Seastrand			
6	AJR 44	Hauser (Principal coauthor Senator McCorquodale) (Coauthors Assembly Members Bates, Farr, Filante, Katz, Mojonner, Polanco, and Speier) (Coauthors Senators Boatwright, Keene, Kopp, Lockyer, Presley, Roberti, Torres, and Watson)	15	SCR 58	Alquist (Principal coauthor Senator Campbell) (Principal coauthors Assembly Members Cortese and Katz) (Coauthors Senators Morgan, Presley, and Torres) (Coauthors Assembly Members Condit, Areias, Baker, Cortese, Costa, Frizzelle, Grsham, Harris, Hill, Mojonner, Mountjoy, Sher, Statham, Tanner, Vasconcellos, and Norman Waters)
7	AJR 46	Eaves and Clute	16	SCR 84	Marks and Garamendi
8	ACR 99	Bronzan (Principal Assembly coauthors Assembly Members Felando and Vasconcellos) (Principal Senate coauthor Senator Campbell) (Coauthors Assembly Members Areias, Bane, Bates, Bradley, Calderon, Chacon, Costa, Farr, Filante, Friedman, Hannagan, Harvey, Hauser, Hughes, Isenberg, Johnston, Katz, Klehs, Margolin, McClintock, Mojonner, O'Connell, Polanco, Roos, Speier, Statham, Maxine Waters, Norman Waters, Wright, and Zeltner) (Coauthors Senators Marks, Presley, Robbins, Rosenthal, Torres, Vuch, and Watson)	17	SJR 27	Watson
9	SCR 13	Robbins	18	ACR 87	Costa, Bronzan, and Jones (Coauthor Senators Maddy and Vuch)
10	SJR 33	Torres (Principal coauthor Senator Roberti) (Coauthors Senators Craven, Dills, and Marks) (Coauthors Assembly Members Areias, Calderon, Cortese, Farr, Isenberg, and Roybal-Allard)	19	AJR 58	Speier, Klehs, Nolan, Hughes, Allen, Areias, Bates, Bradley, Willie Brown, Calderon, Campbell, Chacon, Chandler, Clute, Connelly, Duplissea, Eastin, Elder, Farr, Filante, Grsham, Hannagan, Hansen, Harvey, Hauser, Hayden, Isenberg, Johnson, Johnston, Katz, Killea, La Follette, Longshore, Margolin, Moore, O'Connell, Peace, Polanco, Roos, Statham, Tanner, Tucker, Vasconcellos, Maxine Waters, Norman Waters, and Zeltner (Coauthors Senators Alquist, Ayala, Beverly, Boatwright, Deddeh, Dills, Garamendi, Cecil Green, Bill Greene, Leroy Greene, Kopp, Lockyer, Maddy, Marks, Mello, Montoya, Morgan, Petris, Robbins, Roberti, Rosenthal, Torres, and Vuch)
11	AJR 40	Killea	20	ACR 42	Harris
12	AJR 22	Filante	21	ACR 66	Hauser (Coauthor Assembly Member Farr) (Coauthor Senator Vuch)
13	ACR 98	Hansen (Coauthors Assembly Members Allen, Areias, Baker, Bane, Bates, Bradley, Bronzan, Dennis Brown, Willie Brown, Calderon, Chacon, Chandler, Clute, Connelly, Cortese, Costa, Duplissea, Eastin, Eaves, Farr, Felando, Ferguson, Filante, Frazee, Friedman, Grsham, Hannagan, Harris, Harvey, Hauser, Hayden, Hill, Hughes, Isenberg, Johnson, Johnston, Jones, Katz, Kelley, Killea, Klehs, La Follette, Lancaster, Leonard, Leslie, Lewis, Longshore, Mojonner, Moore, Nolan, O'Connell, Peace, Polanco, Quackenbush, Roos, Roybal-Allard, Seastrand, Sher, Speier, Statham, Strling, Tanner, Tucker, Vasconcellos, Maxine Waters, Norman Waters, Wright, and Zeltner) (Coauthors Senators Alquist, Ayala, Bergeson, Beverly, Boatwright, Campbell, Craven, Davis, Deddeh, Dills, Doolittle, Ellis, Garamendi, Cecil Green, Bill Greene, Leroy Greene, Hart, Keene,	22	ACR 78	Hughes
			23	SCR 83	Rosenthal (Principal coauthor Senator Roberti) (Coauthors Senators Alquist, Ayala, Bergeson, Beverly, Boatwright, Campbell, Craven, Davis, Deddeh, Doolittle, Ellis, Garamendi, Cecil Green, Leroy Greene, Hart, Keene, Kopp, Lockyer, Marks, McCorquodale, Mello, Montoya, Morgan, Nielsen, Petris, Presley, Robbins, Rogers, Royce, Russell, Seymour, Torres, Vuch, and Watson)
			24	ACR 105	Katz (Principal Assembly coauthors Assembly Members Bane, Margolin, Sher, Fi-

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		lante, Mojonner, Allen, Areas, Bader, Baker, Bates, Bradley, Bronzan, Willie Brown, Calderon, Campbell, Chacon, Chandler, Clute, Condit, Connelly, Cortese, Costa, Eastin, Eaves, Elder, Farr, Felando, Ferguson, Frazee, Friedman, Frizzelle, Grisham, Hannigan, Hansen, Harris, Harvey, Hauser, Hill, Hughes, Isenberg, Johnson, Johnston, Jones, Kelley, Killea, Klehs, La Follette, Leonard, Leslie, Lewis, Longshore, McClintock, Moore, Mountjoy, Nolan, O'Connell, Peace, Polanco, Quackenbush, Roos, Rovbal-Allard, Seastrand, Speier, Statham, Strling, Tanner, Tucker, Norman Waters, Wright, Wyman, and Zeltner) (Principal Senate coauthors Senators Leroy Greene, Marks, Robbins, and Rosenthal)	30	ACR 120	Longshore (Principal coauthor Senator Royce) (Coauthors Assembly Members Allen, Bader, Bane, Baker, Bradley, Dennis Brown, Chandler, Duplissea, Eastin, Farr, Felando, Ferguson, Filante, Frazee, Frizzelle, Grisham, Hansen, Harvey, Hauser, Hill, Isenberg, Johnson, Jones, Kelley, La Follette, Lancaster, Leonard, Leslie, Lewis, Margolin, McClintock, Mojonner, Mountjoy, Nolan, O'Connell, Peace, Polanco, Quackenbush, Seastrand, Statham, Strling, Wright, Wyman, and Zeltner) (Coauthors Senators Bergeson, Beverly, Campbell, Craven, Davis, Deddeh, Doolittle, Cecil Green, Kopp, Nielsen, Petrus, Presley, Richardson, Robbins, Rogers, Rosenthal, and Seymour)
25	AJR 33	Campbell (Principal coauthors Assembly Members Farr and Wyman) (Coauthors Assembly Members Bronzan and Chacon)	31	AJR 64	Polanco and Rovbal-Allard (Principal coauthor Assembly Member Farr) (Coauthors Assembly Members Bane, Bates, Willie Brown, Calderon, Chacon, Harvey, Hauser, Hayden, Hughes, Isenberg, Jones, Roos, Sher, Vasconcellos, and Zeltner) (Coauthors Senators McCorkquodale, Petrus, Rosenthal, and Torres)
26	AJR 79	Norman Waters (Principal Assembly coauthor Assembly Member Statham) (Principal Senate coauthor Senator Vuich) (Coauthors Assembly Members Costa, Condit, Maxine Waters, Areas, Bradley, Bronzan, Willie Brown, Campbell, Chandler, Clute, Cortese, Eastin, Farr, Filante, Frazee, Hannigan, Hansen, Hauser, Hughes, Isenberg, Johnston, Jones, Katz, Kelley, Killea, Lancaster, Leslie, Moore, Peace, Polanco, Roos, Seastrand, and Tanner) (Coauthors Senators Doolittle, Garamendi, and Nielsen)	32	ACR 109	Seastrand (Principal Assembly coauthor Assembly Member Leonard) (Principal Senate Coauthors Senators Nielsen and Russell) (Coauthors Assembly Members Allen, Baker, Bradley, Dennis Brown, Chacon, Chandler, Condit, Connelly, Cortese, Costa, Duplissea, Eastin, Felando, Ferguson, Frazee, Frizzelle, Grisham, Hansen, Harvey, Hauser, Hill, Isenberg, Johnson, Jones, Kelley, Killea, Klehs, La Follette, Lancaster, Leslie, Lewis, Longshore, McClintock, Mojonner, Mountjoy, Nolan, Polanco, Quackenbush, Roos, Spener, Statham, Wright, and Zeltner) (Coauthors Senators Alquist, Bergeson, Beverly, Campbell, Deddeh, Dills, Doolittle, Keene, Kopp, McCorkquodale, Montoya, Morgan, Presley, Richardson, Royce, Seymour, Torres, and Vuich)
27	ACR 96	Campbell (Principal Assembly coauthor Assembly Member Willie Brown) (Principal Senate coauthors Senators McCorkquodale and Nielsen) (Coauthors Assembly Members Areas, Baker, Bane, Bates, Bronzan, Calderon, Cortese, Costa, Eastin, Eaves, Elder, Farr, Filante, Frazee, Friedman, Hannigan, Hansen, Harris, Harvey, Hauser, Hayden, Hill, Hughes, Isenberg, Johnston, Jones, Katz, Kelley, Klehs, La Follette, Leslie, McClintock, Moore, O'Connell, Polanco, Quackenbush, Roos, Seastrand, Sher, Speier, Statham, Vasconcellos, Maxine Waters, Norman Waters, Wright, and Zeltner) (Coauthors Senators Alquist, Beverly, Boatwright, Davis, Deddeh, Dills, Garamendi, Cecil Green, Bill Greene, Leroy Greene, Keene, Kopp, Lockyer, Marks, Mello, Petrus, Presley, Robbins, Rogers, Rosenthal, Seymour, Torres, and Vuich)	33	ACR 143	Filante
			34	ACR 144	O'Connell (Coauthor Senator Hart)
			35	ACR 104	Katz (Principal coauthor Senator Robert) (Coauthors Assembly Members Allen, Areas, Bane, Bates, Bradley, Bronzan, Willie Brown, Calderon, Campbell, Chacon, Chandler, Condit, Connelly, Costa, Duplissea, Eastin, Eaves, Elder, Farr, Felando, Ferguson, Filante, Frazee, Hannigan, Hansen, Harvey, Hauser, Hayden, Hughes, Isenberg, Johnson, Katz, Killea, Klehs, La Follette, Leslie, Longshore, McClintock, Moore, Nolan, O'Connell, Peace, Polanco, Roos, Rovbal-Allard, Seastrand, Sher, Speier, Statham, Tanner, Tucker, Vasconcellos, Maxine Waters, Norman Waters, Wright, Wyman, and Zeltner) (Coauthors Senators Alquist, Ayala, Bergeson, Beverly, Boatwright, Campbell, Craven, Davis, Deddeh, Dills, Doolittle, Ellis, Garamendi, Cecil Green, Bill Greene, Leroy Greene, Hart, Keene, Kopp, Lockyer, Maddy, Marks, McCorkquodale, Mello, Montoya, Morgan, Nielsen, Petrus, Presley, Richardson, Robbins, Rogers, Rosenthal, Royce, Russell, Seymour, Torres, Vuich, and Watson)
28	ACR 95	Chacon, Bates, Campbell, Harris, Hauser, Hughes, Isenberg, Johnston, Killea, Klehs, Polanco, and Tucker (Coauthors Senators Hart and Marks)	36	ACR 116	Farr
29	AJR 27	Friedman (Principal Assembly coauthors Assembly Members Katz, Bane, and Filante) (Principal Senate coauthor Senator Robert) (Coauthors Assembly Members Agnos, Bader, Baker, Calderon, Campbell, Chacon, Connelly, Costa, Eaves, Farr, Ferguson, Frazee, Hannigan, Harvey, Hayden, Hill, Hughes, Isenberg, Johnson, Jones, Leonard, Lewis, Longshore, Margolin, Mojonner, O'Connell, Polanco, Quackenbush, Roos, Seastrand, Speier, Statham, Tucker, Maxine Waters, and Zeltner) (Coauthors Senators Beverly, Garamendi, Presley, Richardson, Rosenthal, and Torres)	37	ACR 142	O'Connell
			38	ACR 146	The Women's Caucus Assembly Members La Follette, Hansen, Allen, Eastin, Hughes, Mojonner, Moore, Spener, Tanner, and Wright, Senators Bergeson, Mor-

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		gan, Vuch, and Watson (Coauthors Assembly Members Areias, Baker, Bane, Bates, Bradley, Bronzan, Dennis Brown, Willie Brown, Calderon, Chacon, Chandler, Clute, Condit, Costa, Duplussea, Eaves, Farr, Felando, Ferguson, Filante, Frazee, Friedman, Frizzelle, Hannigan, Harvey, Hauser, Isenberg, Johnston, Jones, Katz, Kelley, Lancaster, Leonard, Leslie, Longshore, Mountjoy, Nolan, O'Connell, Peace, Polanco, Quackenbush, Roos, Seastrand, Statham, Stirling, Vasconcellos, Norman Waters, Wyman, and Zeltner) (Coauthors Senators Alquist, Ayala, Beverly, Boatwright, Campbell, Craven, Davis, Deddeh, Dills, Doolittle, Ellis, Caramendi, Cecil Green, Bill Greene, Leroy Greene, Hart, Keene, Kopp, Lockyer, Maddy, Marks, McCorquodale, Mello, Montoya, Nielsen, Petrus, Presley, Richardson, Robbins, Robert, Rogers, Rosenthal, Royce, Russell, Seymour, and Torres)			
39	SCR 53	Keene (Coauthor Assembly Member Hauser)	56	ACR 107	Johnston
40	ACR 140	Bates, Chandler, Farr, Harvey, Johnston, Leslie, Quackenbush, Sher, and Vasconcellos (Coauthors Senators Presley, Royce, and Watson)	57	ACR 110	Klehs, Allen, Areias, Bane, Bradley, Bronzan, Calderon, Chacon, Connelly, Cortese, Costa, Eastin, Eaves, Farr, Filante, Friedman, Hannigan, Harvey, Hauser, Hughes, Isenberg, Johnston, Katz, Margolin, McClintock, Mojonner, Moore, O'Connell, Polanco, Roos, Sher, Speier, Statham, Vasconcellos, Maxine Waters, Wright, and Zeltner (Coauthors Senators Bergeson, Cecil Green, Bill Greene, Lockyer, Petrus, Presley, Robbins, Rogers, Seymour, Torres, and Vuch)
41	AJR 68	Killea, Eastin, and Chacon (Principal coauthor Senator Presley)	58	ACR 154	Bronzan (Principal coauthor Assembly Member Polanco) (Coauthors Assembly Members Baker, Bane, Bates, Bradley, Chacon, Condit, Cortese, Costa, Duplussea, Eaves, Farr, Felando, Grsham, Hannigan, Hansen, Hauser, Hughes, Isenberg, Jones, Katz, La Follette, Lancaster, Leslie, Longshore, Margolin, Mojonner, O'Connell, Peace, Quackenbush, Roos, Seastrand, Speier, Statham, Tucker, Vasconcellos, Maxine Waters, Wright, and Zeltner) (Coauthors Senators Alquist, Beverly, Bill Greene, Keene, Marks, McCorquodale, Morgan, Petrus, Presley, Robbins, Rosenthal, Torres, and Vuch)
42	SCR 73	Cecil Green	59	ACA 63	Johnston
43	SCR 80	Robert, Alquist, Bergeson, Beverly, Boatwright, Campbell, Craven, Cecil Green, Bill Greene, Leroy Greene, Hart, Keene, Kopp, Marks, McCorquodale, Montoya, Morgan, Nielsen, Petrus, Presley, Robbins, Rogers, Seymour, Torres, Vuch, and Watson (Coauthors Assembly Members Allen, Areias, Baker, Bates, Bradley, Bronzan, Willie Brown, Calderon, Campbell, Chacon, Clute, Connelly, Cortese, Costa, Duplussea, Eastin, Eaves, Elder, Farr, Felando, Ferguson, Filante, Friedman, Grsham, Hannigan, Hansen, Harris, Harvey, Hauser, Hayden, Hughes, Isenberg, Jones, Katz, Killea, Klehs, La Follette, Longshore, McClintock, O'Connell, Peace, Polanco, Quackenbush, Roos, Seastrand, Sher, Speier, Statham, Vasconcellos, Maxine Waters, Wright, and Zeltner)	60	ACR 151	Polanco
44	AJR 63	Katz (Principal coauthor Senator Deddeh)	61	AJR 62	Cortese (Principal coauthors Assembly Members Bates and Friedman) (Coauthors Assembly Members Chacon, Clute, Costa, Eaves, Farr, Hauser, Hauser, Peace, Roos, and Zeltner) (Coauthors Senators Bill Greene, Rosenthal, and Torres)
45	SCR 87	Mello (Principal coauthors Assembly Members Campbell and Mojonner) (Coauthors Senators Craven, Davis, Ellis, Bill Greene, McCorquodale, Montoya, Petrus, Robert, and Rosenthal) (Coauthors Assembly Members Willie Brown, Filante, Nolan, O'Connell, Polanco, and Wright)	62	ACR 122	Stirling (Coauthor Senator Ellis)
46	SCR 78	Royce	63	SCA 9	Boatwright (Principal coauthors Senators McCorquodale and Nielsen) (Principal coauthors Assembly Members Condit, Katz, and Seastrand) (Coauthors Senators Ayala, Bergeson, Craven, Deddeh, Doolittle, Leroy Greene, Mello, Montoya, Morgan, Presley, Richardson, Robbins, Royce, Russell, Seymour, and Torres) (Coauthors Assembly Members Allen, Bradley, Dennis Brown, Chandler, Clute, Costa, Duplussea, Eaves, Elder, Ferguson, Filante, Frizzelle, Hansen, Harvey, Hauser, Hill, Kelley, La Follette, Leslie, Leonard, Longshore, Mojonner, Molina, Mountjoy, Nolan, Polanco, Statham, Stirling, Norman Waters, Wright, Wyman, and Zeltner)
47	SJR 41	Rosenthal and Beverly (Coauthors Assembly Members Felando and Hayden)	64	ACA 1	Elder (Principal coauthor Assembly Member Mojonner) (Coauthors Assembly Members Dennis Brown, Duplussea, Hauser, La Follette, and Speier) (Coauthors Senators Campbell, Rosenthal, and Royce)
48	ACR 102	McClintock (Coauthor Senator Davis)	65	ACA 12	Stirling
49	ACR 115	Allen	66	AJR 77	Isenberg (Coauthor Senator Leroy Greene)
50	ACR 119	Norman Waters, Hauser, Farr, Speier, Bradley, Klehs, Lancaster, Moore, Peace, and Statham	67	SCA 6	Davis and Lockyer (Coauthor Assembly Member McClintock)
51	ACR 149	Bronzan	68	SCA 16	Deddeh
52	ACR 128	Willie Brown			
53	SJR 32	Morgan (Principal coauthor Assembly Member Statham) (Coauthors Senators Bergeson, Lockyer, Presley, and Seymour)			
54	ACA 56	O'Connell			
55	ACR 103	Cortese, Areias, Baker, Bane, Bates, Campbell, Chacon, Costa, Eastin, Eaves, Farr,			

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69	SCR 60	Craven, Bergeson, Deddeh, and Ellis (Coauthors Assembly Members Bradley, Chacon, Frazee, Killea, Mojonner, Peace, and Stirling)	92	SCR 81	Garamendi
70	ACA 17	Chacon	93	SCR 89	Campbell
71	SJR 36	Marks, Alquist, Beverly, Doolittle, Garamendi, Keene, McCorquodale, and Petrus (Coauthors Assembly Members Ferguson, Filante, Mojonner, and Norman Waters)	94	SCR 94	Kopp (Principal coauthor Assembly Member Katz)
72	ACR 133	Hughes (Principal coauthor Assembly Member Hayden)	95	SCR 65	Morgan
73	SCR 99	Deddeh	96	SCR 88	Bergeson
74	ACA 54	Mountjoy	97	SCR 93	Garamendi
75	SCR 64	Montoya	98	SCR 97	Kopp
76	SCR 72	Rogers	99	SCR 101	Ellis (Principal coauthor Senator Torres) (Coauthor Senator Robbins) (Coauthors Assembly Members Clute and Mountjoy)
77	SCR 82	Garamendi, Bergeson, Bill Greene, Marks, McCorquodale, Petrus, Seymour, and Watson	100	SJR 34	McCorquodale (Principal coauthor Assembly Member Ferguson) (Coauthors Senators Ayala, Beverly, Craven, Rogers, and Seymour) (Coauthors Assembly Members Frazee, Frizzelle, and Hannigan)
78	AJR 60	Hauser (Coauthors Assembly Members Areas, Bane, Bates, Bradley, Calderon, Campbell, Chacon, Cortese, Costa, Eastin, Farr, Longshore, Hannigan, Hansen, Hayden, Margolin, Mojonner, Moore, O'Connell, Polanco, Roos, Speier, Vasconcellos, Maxine Waters, and Zeltner) (Coauthors Senators Dills, Cecil Green, Bill Greene, Leroy Greene, Keene, McCorquodale, Robbins, Rosenthal, and Torres)	101	SJR 45	McCorquodale, Dills, Cecil Green, Bill Greene, Leroy Greene, Keene, Marks, Montoya, Presley, Robert, Torres, Vuich, and Watson (Coauthors Assembly Members Allen, Bane, Bradley, Calderon, Condit, Eastin, Hauser, Hughes, O'Connell, Roos, Roybal-Allard, Sher, Spener, Statham, Vasconcellos, Norman Waters, Wright, and Zeltner)
79	AJR 76	Sher (Principal coauthor Assembly Member Spener) (Coauthors Assembly Members Bates, Willie Brown, Elder, Farr, Hauser, Hayden, Margolin, Mojonner, O'Connell, and Roybal-Allard) (Coauthors Senators McCorquodale, Presley, Robbins, and Rosenthal)	102	SCA 37	Lockyer (Principal coauthor Senator Royce) (Coauthors Senators Cecil Green, Bill Greene, Marks, McCorquodale, Petrus, and Robbins) (Coauthors Assembly Members Bradley, Dennis Brown, Chacon, Duplissea, Eastin, Johnston, Klehs, Speier, Statham, and Tucker)
80	SCR 91	Seymour	103	ACR 100	La Follette, Baker, Bates, Bradley, Calderon, Chacon, Cortese, Farr, Filante, Friedman, Hansen, Harvey, Hauser, Killea, Longshore, Mojonner, Sher, Spener, Statham, and Zeltner (Coauthors Senators Cecil Green, Marks, McCorquodale, Morgan, Petrus, Presley, and Robbins)
81	SCR 82	Lockyer	104	ACR 111	Vasconcellos (Coauthor Assembly Member Filante)
82	SCR 67	Russell (Principal coauthor Assembly Member Duplissea) (Coauthor Senator Rosenthal)	105	ACR 117	Bane
83	SCR 68	Campbell	106	ACR 121	Cortese
84	SCR 77	Garamendi	107	ACR 126	Campbell (Coauthors Assembly Members Cortese and Killea) (Coauthors Senators Marks and McCorquodale)
85	SCR 85	Hart (Coauthor Assembly Member O'Connell)	108	ACR 131	Costa (Principal coauthor Assembly Member Duplissea) (Coauthors Assembly Members Areas, Bradley, Bronzan, Chacon, Eaves, Hannigan, Harvey, Isenberg, Johnston, Jones, Tucker, and Wyman) (Coauthors Senators Alquist, Garamendi, Bill Greene, Maddy, Rogers, Torres, and Vuich)
86	SCR 66	Deddeh	109	ACR 136	Hauser (Principal coauthor Senator Mello) (Coauthors Senators Marks and McCorquodale)
87	SCR 90	Robbins	110	ACR 137	Cortese (Principal Assembly coauthor Assembly Member Polanco) (Principal Senate coauthors Senators Craven, Robert, and Torres) (Coauthors Assembly Members Allen, Bane, Bates, Bradley, Bronzan, Calderon, Chacon, Clute, Eastin, Farr, Filante, Hannigan, Harvey, Hauser, Hayden, Hughes, Killea, McClintock, Mojonner, O'Connell, Roos, Spener, Statham, Vasconcellos, Maxine Waters, Wright, Wyman, and Zeltner) (Coauthors Senators Bergeson, Cecil Green, Keene, Marks, McCorquodale, Presley, and Rogers)
88	ACR 113	Elder	111	ACR 153	Isenberg
89	ACR 127	Farr	112	ACR 158	Hauser (Principal coauthor Senator Keene)
90	ACR 163	Katz (Principal Assembly coauthors Assembly Members Tucker, Willie Brown, O'Connell, and Friedman) (Principal Senate coauthor Senator Campbell) (Coauthors Assembly Members Areas, Bader, Baker, Bane, Bates, Bronzan, Dennis Brown, Calderon, Chacon, Condit, Connelly, Cortese, Costa, Duplissea, Eastin, Eaves, Elder, Felando, Ferguson, Filante, Frazee, Frizzelle, Grisham, Hansen, Harvey, Hauser, Hayden, Hill, Hughes, Isenberg, Johnson, Kelley, Klehs, La Follette, Lancaster, Leonard, Leslie, Lewis, Margolin, Mojonner, Moore, Mountjoy, Nolan, Peace, Polanco, Quackenbush, Roos, Roybal-Allard, Sestrand, Spener, Statham, Tanner, Vasconcellos, Norman Waters, Wright, Wyman, and Zeltner) (Coauthors Senators Ayala, Bergeson, Beverly, Craven, Davis, Deddeh, Dills, Ellis, Garamendi, Cecil Green, Bill Greene, Leroy Greene, Hart, Keene, Kopp, Lockyer, Marks, McCorquodale, Montoya, Morgan, Presley, Richardson, Robbins, Robert, Rogers, Rosenthal, Royce, Seymour, and Vuich)			
91	SCR 76	Robbins			

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113	ACR 164	La Follette, Allen, Areas, Bader, Baker, Bates, Bronzan, Willie Brown, Burton, Calderon, Campbell, Chacon, Chandler, Clute, Condit, Connelly, Cortese, Costa, Duplussea, Eastin, Eaves, Elder, Farr, Felando, Ferguson, Filante, Floyd, Frazee, Friedman, Grisham, Hannigan, Hansen, Harris, Harvey, Hauser, Hayden, Hill, Hughes, Johnston, Jones, Katz, Kelley, Killea, Klehs, Leonard, Leslie, Lewis, Margolin, McClintock, Mountjoy, Nolan, O'Connell, Polanco, Quackenbush, Roos, Roybal-Allard, Seastrand, Sher, Speier, Stirling, Maxine Waters, Norman Waters, Wright, Wyman, and Zeltner	131	ACR 83	(Coauthor Senator Seymour) Leslie (Coauthors Assembly Members Hughes and Quackenbush)
114	AJR 34	Leslie, Baker, Duplussea, Hansen, Harvey, Hill, Johnson, Jones, La Follette, Lancaster, Longshore, McClintock, Quackenbush, and Seastrand (Coauthors Senators Doolittle, Kopp, Presley, Royce, and Seymour)	132	ACR 108	Roos (Principal coauthors Assembly Members Hayden and Klehs)
115	AJR 59	Hauser (Principal coauthor Senator Keene) (Coauthors Assembly Members Statham, Areas, Bronzan, Campbell, Clute, Condit, Cortese, Costa, Farr, Frazee, Hannigan, Hansen, Jones, Mojonner, Norman Waters, and Wright) (Coauthors Senators Campbell, Doolittle, Garamendi, Maddy Nielsen, and Vuch)	133	ACR 118	Polanco
116	AJR 65	Moore	134	ACR 129	Hauser
117	AJR 71	Leslie (Principal coauthor Assembly Member Allen) (Coauthors Assembly Members Baker, Bradley, Bronzan, Ferguson, Frizzelle, Grisham, Hansen, Harvey, La Follette, Longshore, McClintock, Polanco, and Zeltner) (Coauthors Senators Bergeson, Craven, Doolittle, Kopp, Presley, and Seymour)	135	ACR 130	Bronzan
118	AJR 83	Costa, Hansen, Norman Waters, Bronzan, Bradley, Dennis Brown, Chacon, Clute, Cortese, Duplussea, Frazee, Harvey, Hauser, Jones, Kelley, Seastrand, and Wright (Coauthors Senators Marks, McCorquodale, Nielsen, Presley, Rogers, and Vuch)	136	ACR 132	Hannigan, Bates, Connelly, Leslie and Vasconcellos (Coauthors Senators Garamendi, Keene, Lockyer, McCorquodale, and Petrus)
119	SCR 79	Hart (Coauthors Assembly Members Hayden and Klehs)	137	ACR 148	Bane
120	SCR 86	Mello, Campbell, Garamendi, Maddy, and Roberti (Coauthors Assembly Members Willie Brown, Farr, Mojonner, and Nolan)	138	ACR 156	Dennis Brown, Baker, Chacon, Costa, Felando, Filante, Frazee, Isenberg, Katz, Kelley, Klehs, La Follette, Lancaster, Leonard, Lewis, Longshore, McClintock, Nolan, Quackenbush, Statham, Wright, and Zeltner (Coauthors Senators Campbell and Richardson)
121	SCR 96	Garamendi	139	ACR 165	Bronzan (Coauthor Senator McCorquodale)
122	SCR 100	Presley (Coauthors Assembly Members Duplussea, Katz, Killea, and Lancaster)	140	ACR 166	Farr
123	SJR 30	Ayala	141	ACR 167	Vasconcellos and Bader (Coauthors Senators Hart and Nielsen)
124	AJR 73	Roos	142	ACR 77	Harris
125	AJR 74	Chacon (Principal coauthor Senator Bill Greene) (Coauthors Assembly Members Calderon, Farr, Hauser, Hayden, Hughes, Isenberg, Killea, Klehs, Margolin, Moore, Roos, Roybal-Allard, Speier, and Vasconcellos) (Coauthors Senators Marks, McCorquodale, and Rosenthal)	143	ACR 138	Chacon, Bane, Bates, Calderon, Roos, and Vasconcellos (Coauthors Senators Bill Greene and McCorquodale)
126	AJR 80	Speier	144	ACR 145	Chacon (Principal Assembly coauthor Assembly Member Willie Brown) (Principal Senate coauthors Senators Presley and Roberti) (Coauthors Assembly Members Calderon, Eaves, Hauser, O'Connell, Polanco, Roybal-Allard, Speier, Vasconcellos, and Zeltner) (Coauthor Senator Torres)
127	AJR 85	Maxine Waters, Bates, Bradley, Elder, Filante, Hughes, Margolin, Mojonner, Roybal-Allard, Speier, Vasconcellos, and Wright (Coauthors Senators Campbell, Bill Greene, and Keene)	145	ACR 152	Hayden (Principal coauthor Assembly Member Tanner)
128	AJR 86	Hauser	146	ACR 155	Leslie
129	AJR 89	Clute and Mountjoy (Coauthors Senators Ellis, Robbins, and Torres)	147	ACR 160	Sher
130	ACR 94	Statham, Bates, Bradley, Filante, Hansen, Harris, Vasconcellos, and Zeltner (Principal coauthor Assembly Member Eastin) (Principal coauthor Senator Morgan)	148	ACR 162	Farr, Quackenbush, Eastin, and Duplussea (Coauthor Senator Garamendi)
			149	ACR 170	Campbell
			150	ACR 171	Mojonner
			151	AJR 67	Norman Waters
			152	AJR 78	Friedman, Filante, Klehs, Bane, Clute, Connelly, Costa, Hughes, Johnston, Margolin, Mojonner, Nolan, O'Connell, Polanco, Roos, Roybal-Allard, Sher, Speier, Tucker, Allen, Areas, Bader, Baker, Bates, Bradley, Bronzan, Dennis Brown, Willie Brown, Calderon, Campbell, Chacon, Chandler, Condit, Cortese, Duplussea, Eastin, Eaves, Elder, Farr, Felando, Ferguson, Floyd, Frazee, Frizzelle, Grisham, Hannigan, Hansen, Harris, Harvey, Hauser, Hayden, Hill, Isenberg, Johnson, Jones, Katz, Kelley, Killea, La Follette, Lancaster, Leonard, Leslie, Lewis, Longshore, McClintock, Moore, Mountjoy, Peace, Quackenbush, Seastrand, Statham, Stirling, Tanner, Maxine Waters, Norman Waters, Wright, Wyman, and Zeltner (Coauthors Senators Campbell, Robbins, and Watson)
			153	AJR 82	Elder
			154	AJR 91	Zeltner (Principal coauthor Senator Torres)
			155	AJR 92	Zeltner, Allen, Areas, Bader, Baker, Bane, Bates, Bradley, Bronzan, Dennis Brown, Willie Brown, Burton, Calderon, Campbell, Chacon, Chandler, Clute, Condit, Connelly, Cortese, Costa, Duplussea, Eastin, Eaves, Elder, Farr, Felando, Ferguson, Filante, Floyd, Friedman, Frizzelle, Grisham, Hannigan, Hansen, Harris, Har-

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		vey, Hauser, Hayden, Hill, Hughes, Isenberg, Johnson, Johnston, Jones, Katz, Kelley, Killea, Klehs, La Follette, Lancaster, Leonard, Leslie, Lewis, Margolin, McClintock, Mojonner, Moore, Mountjoy, Nolan, O'Connell, Peace, Polanco, Quackenbush, Roos, Roybal-Allard, Seastrand, Sher, Speier, Statham, Stirling, Vasconcellos, Maxine Waters, Norman Waters, Wright, and Wyman (Coauthors Senators Beverly, Campbell, Dills, Cecil Green, Leroy Greene, Kopp, Morgan, Nielsen, Presley, Robbins, Rogers, and Royce)	157	AJR 94	Ferguson
			158	SJR 9	Senators Robbins, Alquist, Cecil Green, McCorquodale, Presley, Rosenthal, Royce, and Seymour
			159	SJR 35	Hart
			160	SJR 44	Mello (Coauthors Assembly Members Costa and Vasconcellos)
			161	SJR 48	Marks, Alquist, Beverly, Boatwright, Campbell, Deddeh, Leroy Greene, Lockyer, Montoya, Morgan, Presley, Richardson, Robbins, Royce, and Seymour (Coauthors Assembly Members Areias, Baker, Bane, Bates, Bradley, Dennis Brown, Calderon, Chandler, Condat, Connelly, Cortese, Costa, Easton, Eaves, Elder, Ferguson, Hansen, Hauser, Hughes, Kelley, Lewis, McClintock, Mojonner, Nolan, Roos, Seastrand, Sher, Statham, Maxine Waters, Wyman, and Zeltner)
156	AJR 93	Isenberg (Principal coauthor Senator Torres) (Coauthors Assembly Members Burton, Bradley, Willie Brown, Connelly, Cortese, Costa, Easton, Farr, Hauser, Hughes, Johnston, Roos, Roybal-Allard, Sher, Speier, Vasconcellos, and Norman Waters) (Coauthors Senators Alquist, Cecil Green, Bill Greene, McCorquodale, Marks, Petris, Robert, and Royce)	162	SCR 69	Morgan
			163	SCR 74	Montoya
			164	SCR 92	Montoya, Campbell, Robbins, Seymour, Bill Greene, and Garamendi

